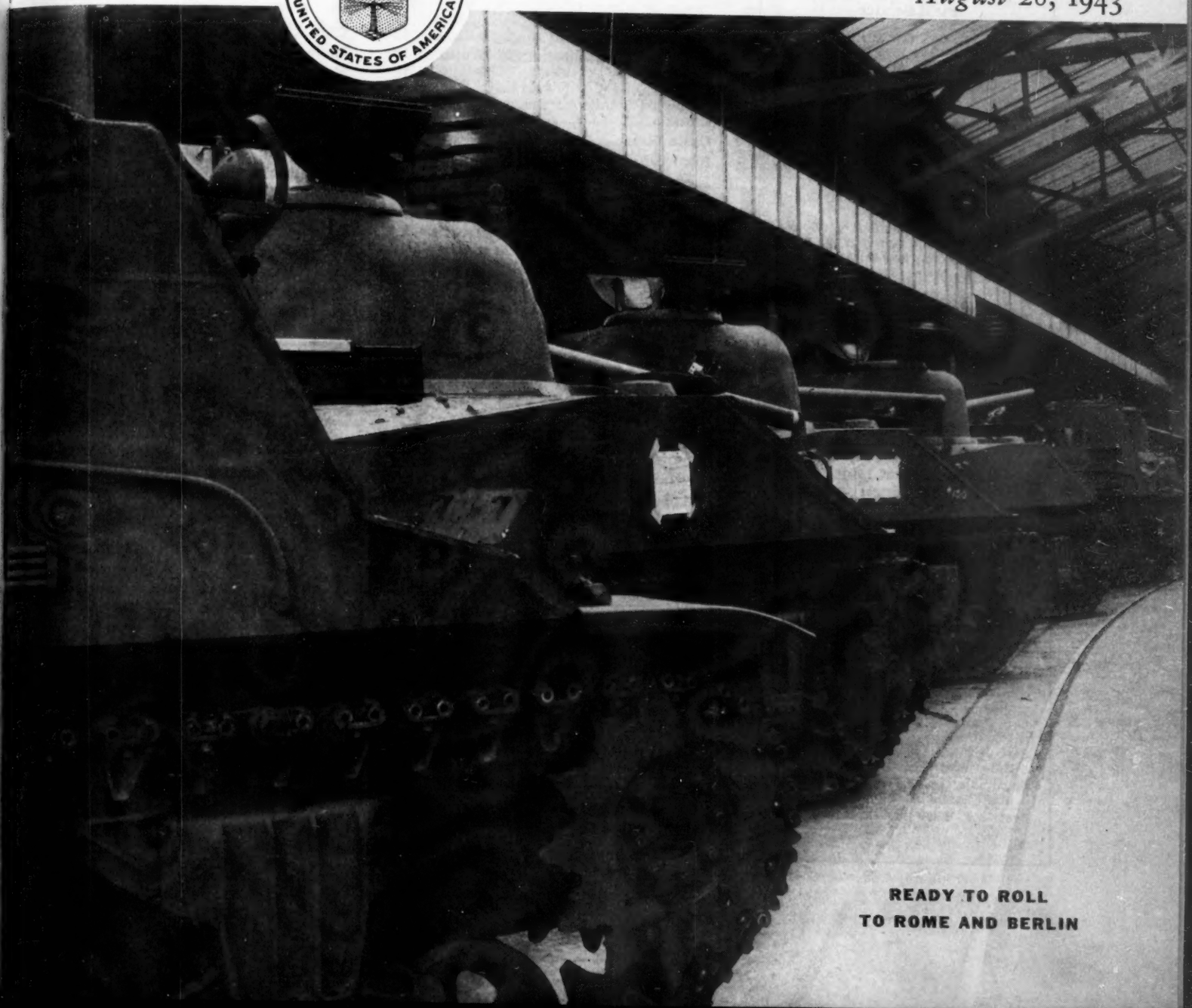
PERIODICAL ROOM
GENERAL LIBRARY
UNIV. OF MICH.

Foreign Commerce WEEKLY

AUG 31 '43

Vol. XII, *No.* 9 *August* 28, 1943



READY TO ROLL
TO ROME AND BERLIN

Foreign Commerce Weekly

Statutory Functions "The Bureau of Foreign and Domestic Commerce . . . . to foster, promote, and develop the foreign and domestic commerce of the United States." [*Law creating the Bureau, Aug. 23, 1912* [37 Stat. 408].]

Issued by the UNITED STATES DEPARTMENT OF COMMERCE, JESSE H. JONES, *Secretary*

THIS WEEK

Italy's Food in War and Peace 3
Inca, Irish, and International 6
Commercial Standards Cement Inter-American Trade 9

Department of Commerce Field Service

Atlanta 1, Ga., 603 Rhodes Bldg., Post Office Box 1595.
Birmingham 3, Ala., 727 Comer Bldg.
Boston 9, Mass., 1800 Customhouse.
Buffalo 3, N. Y., 242 Federal Bldg.
Charleston 3, S. C., Chamber of Commerce Bldg.
Chicago 4, Ill., 357 U. S. Courthouse.
Cincinnati 2, Ohio, Chamber of of Commerce
Cleveland 14, Ohio, 750 Union Commerce Bldg.
Dallas 2, Tex., Chamber of Commerce Bldg.
Denver 2, Colo., 518 Customhouse.
Detroit 26, Mich., 371 New Federal Bldg.
Houston 14, Tex., 603 Federal Office Bldg.
Indianapolis 4, Ind., Chamber of Commerce.
Jacksonville 1, Fla., 425 Federal Bldg.
Kansas City 6, Mo., 724 Dwight Bldg.
Los Angeles 12, Calif., 1540 U. S. Post Office and Courthouse.
Memphis 3, Tenn., 229 Federal Bldg.
Minneapolis 1, Minn., 201 Federal Bldg.
New Orleans 12, La., 408 Maritime Bldg.
New York 18, N. Y., Room 1926, 500 Fifth Ave.
Philadelphia 2, Pa., 1510 Chestnut Street.
Pittsburgh 19 Pa., 1013 New Federal Bldg.
Portland 4, Oreg., Room 52, 520 S.W. Morrison St.
Richmond 19, Va., Room 2, Mezzanine, 801 E. Broad St.
St. Louis 1, Mo., 107 New Federal Bldg.
San Francisco 11, Calif., 307 Customhouse.
San Juan 21, P. R., G–7 Federal Bldg., Post Office Box 4272.
Savannah, Ga., 403 U. S. Post Office and Courthouse Bldg.
Seattle 4, Wash., 809 Federal Office Bldg.

Cover photo: Courtesy OWI

News by COUNTRIES

Australia 12
Belgian Congo and Ruanda-Urundi 12
Bolivia 12
British West Africa 14
Canada 14
Costa Rica 15
France 16
French North Africa 16
Gold Coast 16
India 16
Kenya and Uganda 16
Nicaragua 17
Nigeria 17
Northern Rhodesia 17
Nyasaland 17
Southern Rhodesia 17

News by COMMODITIES

Chemicals 18
Coal and Coke 19
Construction 19
Electrical Machinery and Equipment 20
Essential Oils 20
Foodstuffs and Allied Products 20
Iron and Steel 23
Leather and Related Products 24
Lumber and Products 24
Machinery, Other Than Electrical 25
Medicinals and Crude Drugs 25
Naval Stores and Waxes 25
Nonferrous Metals 25
Nonmetallic Minerals 26
Oils, Fats, and Oilseeds 26
Petroleum and Products 26
Radio and Telephone 26
Rubber and Products 27
Shipbuilding 27
Special Products 27
Textiles and Related Products 27
Tobacco and Related Products 28

REGULAR DEPARTMENTS

Latin American Exchange Rates 31
United States Export Control and Related Announcements 32
Foreign Commerce Statistical Decision 17
New Books and Reports 31
Pertinent Comments on World Economy Today 13
Contributors' Column 38
Trade-Mark Applications 30

Annual Subscription: *Domestic, $4.50; Foreign, $7.90; Single copy, 10 cents. Make remittances payable to the Superintendent of Documents and mail direct to that official, Government Printing Office, Washington, D. C.*

Note: Contents of this publication are not copyrighted and may be reprinted freely. Mention of source will be appreciated.

The Department of Commerce is not responsible for material obtained from other than Government sources.

PUBLISHED WITH THE APPROVAL OF THE DIRECTOR OF THE BUDGET (42 J. C. P.)

DEPOSITED BY THE UNITED STATES OF AMERICA
AUG 31 '43

ITALY'S FOOD— In War and Peace

Vital Aspects of an Exigent Question of the Present Moment

By PHILIP M. COPP, *European Unit, Bureau of Foreign and Domestic Commerce*

EMPHASIS IN NEWS ITEMS coming from Italy by way of neutral countries in recent months has borne heavily on the meager rations, especially of bread—on the need of obtaining potatoes from Germany—and on the unavailability of even the simplest foods except at outrageous prices on the black market. There is no reason to doubt the truth of these stories, but they tend to give the impression that this situation would have prevailed in Italy even in normal times except for imported supplies.

Those who entertain the opinion that the wartime shortages represent the normal position of the country—if deprived of imports—fail to take into account the drain on food supplies of feeding a large army, of sending to North Africa (until a few months ago) and to the Balkans supplies of food large enough to feed soldiers a much greater amount than they would require at home, plus enough to cover the sinking of supply ships and the loss of supplies in the seesaw battles in the Libyan desert. They also fail to consider shipments to Germany of vegetables, fruits, nuts, rice, cheese, and even early potatoes.

They likewise fail to take into account the hoarding of crops by the peasants (who consider stores of food more desirable than lire with which they can buy little clothing or other commodities) or the large amounts of food that have gone into the black markets which emphasize scarcities but reflect in part a faulty distribution of the available supplies. It must also be remembered that the true stories of shortages apply for the most part to the cities and large towns, whereas the agricultural population (over 40 percent of the total) and many of the inhabitants of smaller towns and villages are more adequately fed.

Italy, in fact, is among the more nearly self-supporting in foodstuffs of the industrialized countries of Europe, although production is not evenly balanced, being in excess of needs for vegetables, citrus fruits, nuts, rice, and cheese, and on the other hand, deficient in grains, vegetable oils, meat, fish, and eggs. The fact that wheat is the principal subsistence item for a very great proportion of the population exaggerates the importance of a deficiency which is relatively minor following good crops but becomes noteworthy in years of poor yield (including the past 3 years).

Most of what can be said about Italy's food position has already been said, but the prominence of Italy in the news of today and tomorrow is sufficient to justify a reappraisal of the country's basic and present situation.

General Considerations

A calculation made shortly before the war with reference to Italy indicated that the country was about 94 percent self-sufficient in foodstuffs. This calculation, however, may be used as a basis only with reservations, as the country does not occupy a well-rounded position in this respect—some very important foods showing a marked deficiency, others a heavy surplus, and only a few an output that is approximately equal to normal consumption.

The relatively low standard of living must also be taken into account in this connection as it means that a small or moderate decline in available supplies of basic food has much more serious consequences than in countries living normally on a higher nutrition basis. Of great importance, moreover, is the fact that the population of Italy has been increasing rapidly, owing to the high birthrate and the reduction of emigration in the past two decades, whereas the possibilities of increasing local food production are meager. The measures that have been taken in this latter direction have been costly (land reclamation, irrigation and flood control, dividing up of large estates) or have tended further to unbalance the food situation (as, for instance, the extension of wheat cultivation at the expense of fodder production).

The Italian campaign for autarchy, or self-sufficiency, has had as its chief positive result, so far as the food supply is concerned, an increase in the domestic supply of wheat, which occupies an unusually prominent position in the Italian diet owing to the heavy emphasis on bread and alimentary pastes. To the extent that this increase in average wheat harvests is due to the growing of wheat on reclaimed marshland and to the greater yield per acre as a result of improved methods and greater and more efficient use of fertilizer, there has been a net gain in the food supply, but a portion of the extension of wheat production appears to have been at the expense of other crops, especially fodder for Italian livestock.

Normal Agricultural Acreage

On an area of 119,764 square miles (roughly equivalent to that of New England, New York, and New Jersey) Italy has today a population of more than 45,000,000. Taking into consideration the large amount of mountainous land and the area that is submarginal for crop production owing to insufficiency of rainfall in the growing seasons, there is not enough surface available for the growing of basic food crops for so large a population. Through intensive effort over a period of many centuries, practically all of the land at all suitable for production has been brought under cultivation, making it impossible to extend acreage or production appreciably in time of urgency when normal sources of imports are cut off.

Arable land in 1937 amounted to 32,131,367 acres and constituted 41.9 percent of the total surface of the country. The remainder of Italian land was classified as follows: Permanent meadows and pastures, 18.8 percent; special wooded growths (including vineyards and orchards), 7.4 percent; forests (including chestnut groves), 18.3 percent; uncultivated productive, 5.6 percent; and unproductive, 8.0 percent. About 60 percent of the Italian acreage is thus devoted to the production of food or sustenance for food animals.

By far the largest acreage of sown land is devoted to wheat (12,426,000 acres in 1938), followed by corn (3,641,000), beans (2,861,000), oats (1,093,000), potatoes (1,040,000), barley (497,000), rice (367,000), sugar beets (336,000), and rye (257,000).

Agricultural Population

The agricultural element is the largest single group of the Italian population. The 1936 census record of persons 10 years old or over engaged in an economic activity shows a total of 18,345,432 persons, of whom 8,756,064 (47.7 percent)

were engaged in agriculture; the industrial group, which was next in importance, accounted for only 5,375,152 (29.3 percent).

A large number of the agriculturists were share-croppers (1,787,601) or worked for wages on the farms of others (2,356,518). The average Italian farm is of small size. In 1936 there was a total of 4,196,266 "agricultural enterprises" of all kinds (including forests and grazing lands), of which 2,763,671 were 3 hectares (7.413 acres) or less in size and 4,042,666 were 20 hectares (49.420 acres) or under.

It should be pointed out, however, that the total area covered by these small and moderate-sized farms which constitute over 96 percent of the total number of "agricultural enterprises" is 30,032,690 acres, whereas the remaining 153,600 "agricultural enterprises" (ranging upward from about 50 acres) have a combined area of 34,835,370 acres. It is evident that the large numbers of agricultural families on the very small farms, as well as the share-croppers and the agricultural day laborers (in addition to the low-paid wage earners in industrial plants) were forced to live at a meager subsistence level.

Surpluses and Deficiencies

For a quick survey of the normal position of Italy, the simplest procedure is to give the following list of the main items in which production must be supplemented by imports, those produced in excess of normal consumption, and those in which production and consumption are practically balanced:

Deficiency items	*Surplus items*
Meat and poultry.	Cheese.
Eggs.	Rice.
Fish.	Potatoes.
Wheat (partly offset by exports of flour and macaroni).	Garden vegetables.
	Tomatoes, fresh, canned, and paste.
Rye.	Citrus fruit.
Corn.	Nuts.
Oats.	Fresh fruits.
Coffee.	Wines.
Tea.	*Approximate sufficiency*
Cocoa.	Milk and butter.
Olive oil, edible.	Sugar.
	Legumes, dried.

A mere listing of the products, however, fails to indicate the extent of the deficiencies and surpluses and must therefore be supplemented by more detailed information. The accompanying table showing the net trade in 1937 and 1938 gives in most respects a fair picture of the normal position of Italy with regard to food. The principal exception is the wheat trade; 1937 imports were larger than in any recent year (owing to an exceptionally small crop in 1936), and the trade statistics tend to overemphasize the deficiency in this the basic factor in the Italian diet, despite an unusually small net import in 1938.

What the Shortages Mean

The list of items in which Italian production is insufficient for domestic consumption is approximately equal in number to the surplus or sufficiency items, but includes two products, wheat and olive oil, which are of paramount importance in the Italian diet, especially in southern Italy and Sicily. Normally the deficiencies represent a rather small percentage of total needs, although after years of poor crops large wheat imports are required to tide the country over to the next harvest, but in the present war they have assumed great significance, since Europe as a whole is a net importer of wheat and vegetable oils and the United Nations' blockade has made it impossible to fill requirements from extra-European sources.

Italian Net Trade in Foodstuffs, 1937 and 1938

[Quantities in short tons, except wine]

Item	1937		1938	
	Net imports	Net exports	Net imports	Net exports
Poultry, live and killed	6,742	.....	4,019	.....
Meat:				
Fresh and frozen	39,313	.....	30,279	.....
Preserved	.....	4,465	.....	4,241
Meat extract, canned soups, etc.	710	.....	1,137	.....
Eggs (of poultry)	9,010	.....	6,712	.....
Milk, fresh and preserved	4,638	.....	4,272	.....
Butter	1,807	.....	.....	719
Cheese:				
Hard	.....	14,731	.....	14,101
Soft	.....	6,886	.....	6,886
Fish	100,728	.....	104,355	.....
Shellfish, etc.	134	.....	17	.....
Coffee	41,888	.....	39,693	.....
Sugar	.....	9,535	31,495	.....
Marmalades, candies, sweets	.....	7,374	.....	7,408
Cocoa	8,620	.....	10,158	.....
Spices (including tropical flavorings)	2,850	.....	1,792	.....
Tea (including mate)	130	.....	146	.....
Wheat	1,826,095	.....	318,637	.....
Rye	2,901	.....	34,998	.....
Corn	139,048	.....	60,556	.....
Rice	.....	174,506	.....	176,214
Oats	9,541	.....	9,541	.....
Flour, semolina, etc.	.....	183,617	.....	98,307
Macaroni, etc.	.....	20,153	.....	18,945
Legumes, dried (peas, beans, etc.)	4,568	.....	.....	14,853
Potatoes	.....	85,479	.....	110,986
Fresh vegetables	.....	156,597	.....	150,791
Tomatoes	.....	46,681	.....	60,966
Citrus fruit	.....	408,336	.....	391,928
Bananas	24,752	.....	29,374	.....
Chestnuts	.....	36,002	.....	29,025
Figs, dried	.....	10,132	.....	9,066
Raisins	2,575	.....	2,445	.....
Prunes, dried	1,092	.....	904	.....
Almonds:				
Unshelled	.....	2,057	.....	4,226
Shelled	.....	20,097	.....	32,859
Filberts:				
Unshelled	.....	11,700	.....	10,847
Shelled	.....	3,444	.....	3,958
Walnuts	.....	9,806	.....	6,693
Grapes, fresh	.....	22,495	.....	30,973
Fresh fruits, other	.....	203,850	.....	222,116
Fruits, legumes and vegetables preserved	.....	12,992	.....	16,842
Tomatoes, preserved (canned and paste)	.....	95,858	.....	91,369
Wines and vermouth	.....	[1] 49,157	.....	[1] 37,810
Salt	.....	230,126	.....	305,136
Olive oil, edible	5,526	.....	14,266	.....

[1] In 1,000 gallons.

Wheat imports in recent pre-war years, after making an adjustment for exports in the form of flour, alimentary pastes, and other wheat products, have been equivalent to about one month's supply. For olive oil only about 10 days' supply has been imported on the average, but the deficiency in edible vegetable oils is much greater, as the net amount of edible vegetable oils produced from imported oilseeds to supplement olive oil is in the neighborhood of 50,000 tons. For all vegetable oils, Italy usually gets about 2 months' supply from foreign countries.

Next in importance is the lack of sufficient fish, on which Italy as a predominantly Catholic country is heavily dependent. Nearly one-third of the normal consumption (110 days' supply) is usually imported, but to a certain extent this lack may have been mitigated until recently by the possibility of continuing to obtain a certain amount of fish from other suppliers, notably Spain. Dried and salted fish account for approximately two-thirds of the normal imports. Production of meat (including game, fowl, and rabbits in addition to other varieties) provides perhaps 11 months' supply.

For large segments of the Italian population the necessarily curtailed consumption in wartime has had only minor significance. Net imports of eggs, though normally amounting to about 8,000 tons yearly, represent not much more than a week's needs. Deficiencies in the minor cereals—corn, rye, barley, etc.—may be estimated at somewhat over a month's needs. These in general are not in common use for human food, except cornmeal mush ("polenta") in some of the more northerly parts of the peninsula.

The cutting off of supplies of coffee, tea, and cocoa, obtained entirely from outside Italy, has caused some inconvenience but has meant little to the lower classes of the population.

Effect of the War

The quantities of food allotted to the normal consumer under the Italian rationing system are among the lowest in Europe. Although the diet of the ordinary Italian is always frugal and of limited variety, the rations allotted have been so low that they compare very adversely even with low normal consumption. Under normal conditions Italy could supply out of its own production a much more adequate amount of basic food than is represented by the scheduled rations of wheat and flour, macaroni and rice, fats and oils (all of these being rationed on a national basis) and of meats, cheese, potatoes, and other products—which are rationed according to local supplies and consequently show considerable regional variations. It may be mentioned in passing that in some areas milk, dried vegetables, fish, and even wine are rationed.

In order to account so far as possible for this anomalous situation, it is necessary to take into account the disruption of production, trade, and distribution which has occurred during Italy's war experience. On the basis of normal production and consumption, it should have been possible for the Italian people to be provided out of domestic production with only a little less wheat and wheat products, other grains, meats, and eggs, five-sixths as much vegetable oil, and about two-thirds as much fish as in peace time without recourse to imports. Enough potatoes and more than enough fruits, fresh vegetables, and rice to meet all demand should have been available under these conditions.

That there has been stringent rationing of commodities in which Italy is

slightly deficient and local rationing (in very meager amounts in some areas) even of several of the surplus commodities calls for explanation. In the absence of complete information it is impossible to get a clear picture of the situation, but the following factors have undoubtedly contributed: lower production; higher consumption by soldiers than they would have had as civilians; loss of supplies; heavy shipments to Germany; hoarding, black markets, and other handicaps to equitable distribution.

Lower Production

As to lower production, our best information applies to the wheat crop. In 1937, 1938, and 1939, the wheat crops averaged nearly 8,000,000 metric tons, enough to render Italy almost self-sufficient had it not been for the necessity of sending wheat products to the colonies and to occupied Ethiopia. In the 3 years following, the crops averaged only about 7,100,000 tons, or less than 90 percent of normal needs.

Several factors accounted for declines in agricultural production, primarily the *weather* (exceptionally cold, dry winters in the chief producing areas and droughts in the growing season) but also probably less-than-normal supplies of fertilizers (potash and nitrates from Germany and phosphates from French North Africa seem to have been somewhat, though not seriously, reduced) and a slight deficiency of manpower for cultivation and harvest.

Meat and milk production undoubtedly have been lower, owing to lack of imported oilseeds, from which to make cattle cake, and to reduced fodder crops. Italian sources insist that the livestock population has not been reduced, but if this is true its condition must have deteriorated. Poultry and consequently egg production likewise must have suffered from the feed shortage.

Soldiers' Position

The Italian standard of living is low, but the soldier must be well fed. It is likely, therefore, that the greater amount of food needed to supply the same man as soldier than as civilian is larger in Italy than, for instance, in the United States where the average civilian consumption is higher. Feeding the Italian soldier also requires, particularly, such relatively scarce foods as wheat and meat.

Garrisons in the Balkans have had to be maintained in areas largely denuded of foods, and the African battles have been fought in unproductive areas, so that it has been impossible for the army away from Italy to "live off the land."

It must be remembered, too, that Italy has had to fight campaigns and feed troops in distant places (Ethiopia, Libya, Greece); large quantities of food were destroyed during the campaign in East Africa and in the seesaw battles in the Libyan desert, in Greece, and through sinkings of vessels carrying food through the Mediterranean and Red Seas.

Demands by Nazis

In return for supplies of coal, iron and steel, machinery, and other products, Germany has demanded from its Axis partner large supplies not only of those foods such as citrus and other fruits of which Italy has more than sufficient output for domestic consumption but also of items that might have served to offset in some measure the shortages of wheat and meat (early potatoes, dried legumes, fresh vegetables, cheese, and other items).

The Black Market

Distributive disturbances have also contributed to shortages of food under rationing schedules. The most spectacular, though probably not the most important, of these disturbances has been the black market. Under the Italian system of price control (which has been much less efficiently operated than the German system) and because of actual shortages of supply, the black market has flourished—patronized especially by those with reserves of cash which under war conditions could not be readily diverted into other channels. It seems probable, however, that not more than 5 or 10 percent of the food sales have been black-market transactions.

The extent of hoarding is uncertain but is believed to account for a sizable share of the food deficiency. The opportunities for hoarding, so far as the ordinary peasant is concerned, are not large; their normal surplus is too small. The medium-sized farms and the relatively small number of large farms have had greater chances of concealing a portion of their crops. The amount of hoarding is limited by Government controls (required declarations of the amount of the crops by individual producers, limitation of the amounts which the grower may retain for his own needs, and in some cases actual storage of the crops in Government warehouses). For many crops these controls were in effect for several years before the war, so the mechanism was well established, though there has evidently been an appreciable amount of successful evasion.

Faulty Distribution

A further factor in producing shortages greater than those resulting from the actual dearth of supplies has been the faulty working of the distribution system. This may be ascribed in large part to transportation difficulties occasioned by the overloading of railway facilities in the transportation of war materials and troops and to the shortage of motor fuels. Supplies of gasoline must be obtained from the Albanian fields or imported from Rumania.

Substitute fuel production is limited by the lack of coal required for synthetic gasoline and the meager wood resources for the production of charcoal for gas generators; alcohol (from sugar beets and even wine) has been used to some extent, and more recently the natural methane gas found in several parts of the Po Valley—but the restrictions on automotive transportation were imposed early and have been very stringent.

In country districts and the smaller towns, the populace has been able to supplement the meager food rations to a considerable extent by various devices. The chief sufferers have undoubtedly been the groups of low wage or salary earners in the larger cities whence most of the reports of insufficient food have emanated.

Germany Has Benefited

The effect of shipments of agricultural products to Germany on Italian supplies has already been mentioned. From the incomplete data available it appears that the share of Germany in total Italian exports of such products as cheese, rice, potatoes (early), garden vegetables, fresh and canned tomatoes, citrus and other fresh fruits, dried fruits, and nuts increased greatly in 1940 and 1941; for some of these products the amounts shipped to Germany in 1941 were greater than total exports to all countries in the pre-war years.

It should not be imagined, however, that the German food supply would be greatly affected by the cutting off of imports from Italy. The principal benefits accruing to Germany from Italian supplies have been: some relief from the monotony of the wartime diet, added supplies of vitamins (especially from citrus fruits), and easing of the difficult period when supplies from the previous season are low and the new crops have not yet matured.

In 1938, Germany got from Italy one-fifth of the total imports of rice, half of the potatoes (the relatively small amount of 57,718 metric tons, but valuable to Germany because they are early potatoes), over 40 percent of the fresh vegetables, three-fifths of the almonds, most of the chestnuts and considerable quantites of other nuts.

Well over 90 percent of the lemons imported by Germany in 1938 came from Italy, three-eighths of the oranges, and more than one-fourth of the other fresh fruits. Imports of canned foods other than fish, meats, oils, beverages, milk, and cream into Germany amounted to only 7,723 metric tons, but, of these, Italy supplied 4,537 tons.

Italian Food Needs

Italy's experience with food shortages during the war has been disastrous. The basic fact remains, however, that *the country's requirements from abroad are not large, especially as compared with those of other major European countries.* This statement, of course, refers only to the feeding of the Italian population, and leaves out of consideration the supplies needed by an army of occupation.

Aside from the need of moderately favorable weather conditions, especially as applying to the wheat crop (incidentally, weather conditions seem to have been much more favorable in 1943 than in any of the earlier war years), the principal requirements to bring Italy back to its former near-self-suf-

(Continued on p. 28)

By DONALD R. CRONE, *Industrial Projects Unit, Bureau of Foreign and Domestic Commerce*

Inca, Irish, and International—

Each of Those Terms Applies to Potatoes—And There's an Arresting Story in the Trade In This Familiar, Valued Item of Daily Diet

POTATOES, the world's greatest food crop, have been an item of foreign trade almost from the day that conquering Spaniards came upon them. Pedro de Cieza de Leon, in 1538, found Incas growing the roots and using them as food, in the upper Cauca Valley of what was then Peru. We are indebted to another Spaniard, Jose de Acosta, for information that in 1560 "there was great commerce in them in that kingdom (Peru) with the mines of Potosi (Bolivia)." This referred to "Chunyo," not fresh potatoes.

International trade, both export and import, in potatoes was valued at around $100,000,000 annually in the 1927–30 period when prices were higher than they have been recently. However, the increased production and sale of potatoes in the past decade may have sustained this value of the over-all world interchange of the "Peruvian roots."

The most recent year of high production for which reliable statistics are available was in 1937 when the world grew 2,518,000,000 metric quintals of white potatoes; the Soviet Union alone harvested 1,862,000,000 quintals. Translated into terms of bushels, these figures become 9,241,060,000 and 6,793,540,000, respectively.

Foreign-Trade Position

Students of international commerce have determined that, from 1910 to 1930, world *trade* in this highly regarded vegetable formed less than 1 percent of world potato *production*. Such a percentage of output entering foreign commerce may seem very small indeed when compared with wheat, cotton, copper, and other familiar raw materials. Nevertheless potatoes actually are much more important to foreign trade than thousands of other products, agricultural and industrial, and are about equal in dollar value to such items as rye, oats, beer, and apples. Potatoes came to within several million dollars of a value equal to that of the total spice trade of the world, although spices are less bulky, ship more easily, and are more profitable.

And while output exceeding 9,250,000,000 bushels annually may loom astronomically, so does the *value* of the world potato crop, which has been estimated to have exceeded the $6,000,000,000 mark at times. Seldom do leading items of commerce approach such a dollar total. Global production and sale of foodstuffs declined during the decade of the 1930's, yet commerce in potatoes did not fare so badly as other commodities in the same general classification. This was despite attempts in many European countries and elsewhere throughout the world to become nationally self-sufficient in food supply.

Popularity Maintained

Likewise, potatoes are enhancing their position regardless of the trend to broader use of many other vegetables and the more widespread consumption of cereals, including rice. However, there has been no increase in the United States, potato consumption here showing a decidedly retrogressive tendency. This situation is caused by the phenomenal rise in the use of fruits and green vegetables and the widespread distribution of all types of foodstuffs.

Proof that the root's world popularity is not dwindling is afforded by citing the statistics. While production of the world's main food crops as a group gained from 3 to 7 percent from 1930 to 1937, the output of potatoes gained from 10 to 15 percent in the same period. Population also gained to some extent in that period, but no account of the increase was taken. According to an index compiled by the League of Nations, potato production accelerated from 100 in 1925 (using 1925–29 as a base) to 128 in 1936–37. Crops since the latter year have been larger because potatoes produce so much food value per acre—more than any other ground crop, considering the labor cost, area, and similar farm factors involved.

Some Revealing Figures

Britain's Royal Institute of International Affairs, in a survey conducted in 1932, estimated that from 1927 to 1930 the average annual world production of potatoes was valued at £720,000,000 sterling—roughly $3,500,000,000. In that period £4,000,000 worth of these vegetables entered international trade each year—involving average exports of 1,280,000 tons, or less than 1 percent of the annual world output in that period of 206,000,000 tons. Although this was an indubitably small proportion of the world potato crop to be handled by export-import merchants and international transportation facilities, it may be worth noting (for purposes of comparison) that from a quantitative standpoint

In the Soviet Union. Drying seed potatoes in a hothouse before winter storing, on a progressive collective farm near Sverdlovsk in the Urals.

the tonnage handled was about 40 percent as great as that of the world's cotton movement during that period.

In 1928–30, the amount of potatoes transferred in foreign-trade channels gained 56 percent. The 1909–13 exports-and-imports balance of 16,000,000 hundredweight or 27,000,000 bushels had soared to 75,000,000 hundredweight or 140,000,000 bushels by the last 2 years of the 1920's.

International trade in potatoes reached its peak in 1937, the surplus-producing nations exporting 72,119,000 bushels (2,160,000 tons) in that year. Deficit countries imported 53,377,000 bushels. Growing seasons differ in various climates, and "spuds" follow the customers and the sun. Southern Europe exports to northern industrial nations a yearly food surplus which naturally comes back in the form of manufactures.

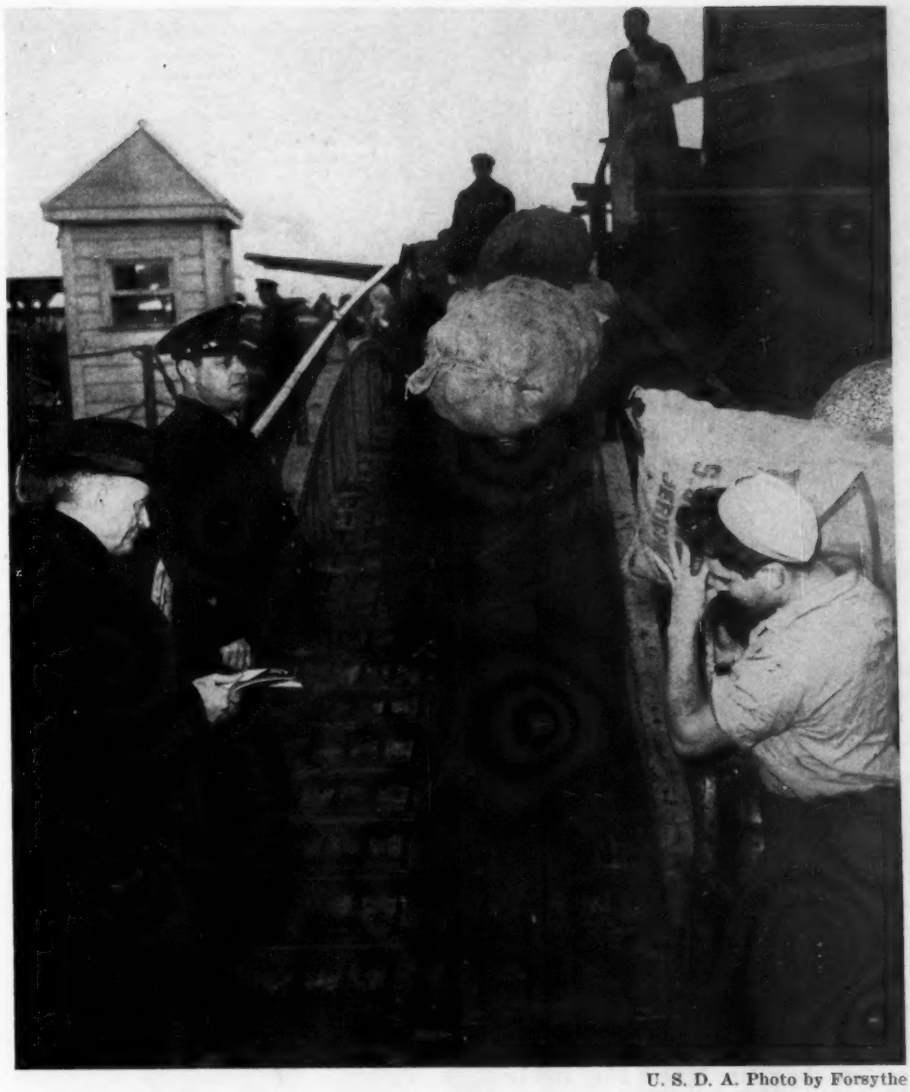
Many Countries Interested

Europe's 18 nations as a whole benefited from world potato trade, in 1937 exporting more than 56,000,000 bushels net. North America shipped abroad about 6,500,000 bushels—thus demonstrating clearly the marked disparities in production. The old continent and the British Isles, exclusive of the Soviet Union, grew almost 10 times more white potatoes than our own continent and many dozen times more than South America, the original home of man's great root crop.

European nations which are large importers of potatoes, on balance (most nations both export and import at different seasons), include Germany, the United Kingdom, Belgium-Luxemburg, and France. Lesser but still important buyers, net, in order, include Argentina, Egypt, Cuba, Switzerland, Puerto Rico, Palestine, Uruguay, and Tunisia. Argentina and Uruguay, especially, import many seed potatoes, largely from the Northern Hemisphere. Cuba and Puerto Rico also buy seed potatoes in large quantities.

One of the curious aspects of the potato trade is that Peru (along with Chile), believed to be the original home of this vegetable, was a net importer in recent years. In 1938 for instance Peru bought 36,000 quintals or 132,100 bushels, but in 1939 and 1940 these imports were cut in half. Even today, Peru's rural population depends on potatoes for almost 70 percent of its non-meat or non-fish diet, according to some authorities of that country. Other Latin American countries are not nearly so dependent upon this product—several consume potatoes about in proportion to ourselves, relying more on a background of grain.

The three largest exporters of potatoes in 1938 included the Netherlands, Italy, and the Isle of Jersey, in that sequence. Ireland, while an important exporter, did not rank among the leaders, even being surpassed by Canada, the United States, and Poland. Holland alone normally sells so many potatoes abroad that it could supply the three largest importers—Germany, Britain, and Belgium—practically all of their needs as regards foreign purchases. Italy, too, ordinarily ships many potatoes, in 1938 dispatching abroad one-third more than the United States and Canada combined.



U. S. D. A. Photo by Forsythe

Potatoes pass rigid inspection before they are carried aboard this vessel.

Recent Trends

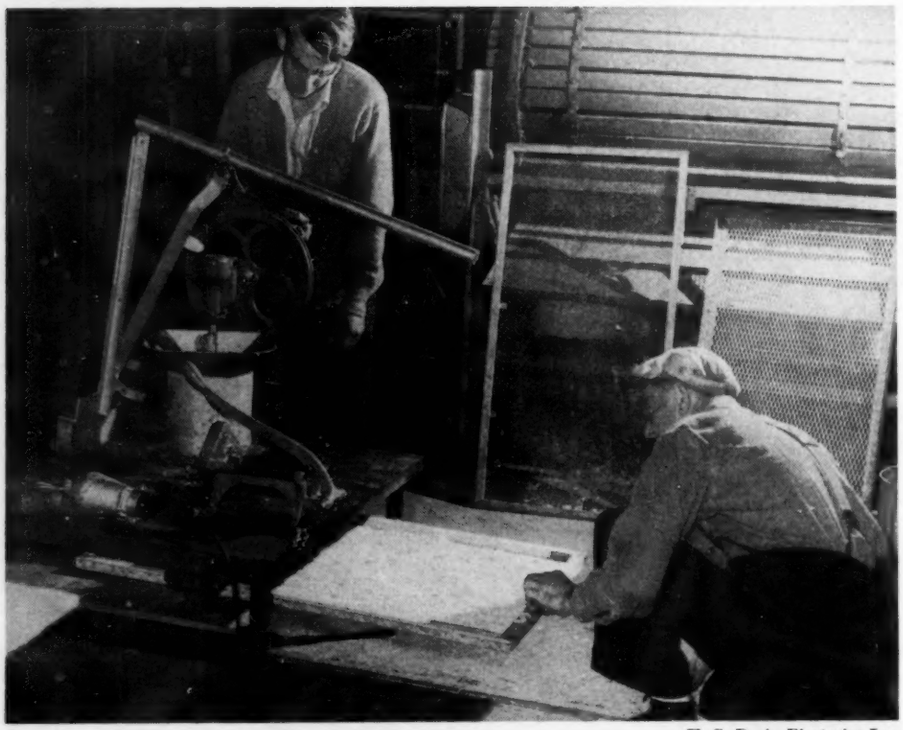
Recent trends can only be ascertained by deduction, because current information is often incomplete. Europe grew a good potato crop in 1942. Prospects, reportedly, are fairly good for 1943, too, unless invasion forces trample large crop areas. In England, for example, a 10-percent increase was piled on the substantial 1941 upward revision of about 60 percent in potato acreage, so that in 1942 the United Kingdom planted upwards of a million acres to potatoes. Small wonder, then, that Britain's supply is now adequate and prices are moderate.

Europe's large plantings of potatoes in 1942 were undertaken to offset declines in grain production; crop yields generally were considerably higher than the 1933–37 average.

In Days of Incas

How did all this trade in and production of a crop like potatoes come about? It was de Acosta, above mentioned, who first described the root or "pappas," which grew in the cold, dry sierra of Peru; centuries ago he told how potatoes were made into "chunyo" by being dried in the sun. The sun-shriveled roots, he related, could be stored or easily loaded on llamas for transportation over mountain trails and thus be made commercially profitable as exports. De Acosta wrote that the tubers were eaten boiled and roasted, just as they are throughout the world today—when consumers have them. Frozen potatoes, too, are familiar in parts of South America.

The Incas of Peru understood the food value of their crop, and the Europeans who invaded their lands did not take long to learn, from the original cultivators, the advantages of potatoes. Early in the 16th century the Spaniards brought the *Solanum tuberosum* from South America to their own soil, whence it naturally was introduced into Flan-



U. S. D. A. Photo by Lee

Dehydration may have a noteworthy effect on the potato trade of the future. Here we see potatoes being riced.

ders, then a Spanish-controlled area. This "vegetable of the common man" next was introduced to Germany, where in time it became a mainstay of the diet for both the human and the animal populations.

Virginia settlers, however, were responsible for taking the common white potato to southern Ireland, which country gave its name to "gravy's boon companion." By the first quarter of the 18th century the entire British Isles and Ireland were growing the plant and feeding cheaply and well the growing industrial populations of those times.

Importance Is Widespread

Before the Second World War, Britain was producing potatoes on some half a million acres, while Ireland was raising them on 600,000 acres. Combined, this is about a third as much acreage as that of the United States, which has many, many times more land. Some small idea of the significance of the potato to Europe can be judged from Germany's prewar area of 7,000,000 acres—almost twice as large as our domestic plantings of white potatoes. Yet the 3,000,000 acres (plus) raised in the United States make the "spud" our leading vegetable crop by far—second place in tonnage being taken by sweet potatoes.

Russia, however, stands preeminent as the world's leading potato producer. In 1937–38 the U. S. S. R. was credited with planting 7,577,000 hectares in potatoes (hectare=2.471 acres), compared with a total of 7,289,000 hectares for Germany, France, and Poland combined, the three largest European growers. In that season, Russia's plantings were five times as large as the entire North American continent's cultivation of 1,510,000 hectares. France, Portugal, the Channel and Canary Islands, also are great growers of potatoes. About a decade before the war—in 1927, to be exact—Great Britain, despite its comparatively large acreage planted in potatoes, imported 5,750,000 hundredweight, over 9,500,000 bushels—half of which were purchased in France.

From the 18th century on, Europeans realized the position of the potato in their economy. It is a crop that is adaptable to various soils and climates, although it is rather susceptible to diseases and insect pests.

Struggles, Defeats, Triumphs

Much "potato folklore" has been connected with the universal attempts to grow this vegetable. Epics of struggles against the earth, rainfall, dryness, altitude, inadequate cultivation methods, "rot," and other problems attest to the urge to plant and harvest potatoes—man's fight for food. European potato famines led to great migrations. Diseases forced the growth of agricultural research, particularly in Ireland, England, and Germany. The huge potatoes of Alaska's Matanuska Valley, the tremendous yields of Maine, California, Eire, and Holland indicate the results obtained from the centuries-old desire for a great staple edible.

A Pennsylvania shoemaker is said to have produced an outstanding variety for this country—the Irish Cobbler. Government agricultural scientists developed the Maine Katahdin into a vegetable of international stature. The latter strain now yields most favorably in South America and elsewhere. However, literally hundreds of types and varieties have been brought to life to respond to or resist blight, weather, length of days and growing seasons, depth of soil, altitudes where grown, and divers other factors.

Potatoes are considered well-nigh indispensable as a source of starch and food in the Middle Latitudes and even far into the north and south. Europeans use them extensively as a stock-food, serving the roots both hot and cold, cut up, processed, and otherwise disguised for animal consumption, much as the potato is dressed up in restaurants for humans.

Root Means Much in Reich

European use of the Peruvian-derived root is no matter of "small potatoes." After Russia, Germany is the largest producer, though war conditions have affected the Reich's output. Weather conditions also altered German potato crops; that is why the 1941 crop in "Greater Germany" was only 65,000,000 metric tons; 1940 had witnessed the harvesting of a bumper crop of 70,000,000 tons. The meaning of the drop becomes clearer on realization that the Reich depends on potatoes for 30 percent of its food requirements. Twenty-five percent go directly into the diet, and 5 percent more are used as stock fodder.

Since the beginning of the war, which has brought severe rationing of many other foods, Germany proper has increased its annual consumption from 13,000,000 up to 20,000,000 metric tons of potatoes. Since about one-third of the crop is now used as a vegetable, and to conserve this prime food need, peeling is not allowed in Germany—removing the skin uses time and wastes nourishment, too. The potato is an important starch in the Reich, for human and industrial purposes.

It is estimated that reduced supplies of other foods involve an increase in total German potato needs of 60–70 percent over peacetime. Enlarged consumption as food and fuel means some deprivation for the livestock. The German army eats lots of potatoes—more than any other western army. Germany's ordinary civilian use can be understood from the 1937 diet (not an ideal by our standards) when, by weight, the eating of potatoes alone exceeded consumption of bread, vegetables, fruits, and beverages combined.

Recent reports illustrate how versatile a vegetable is the potato in Hitler-land. More than a third of the 1942 production, it is said, will be converted into motor fuel for military purposes—incidentally further diminishing the Reich workers' share of food.

In Smaller Countries

Switzerland in 1942 produced a crop of 1,250,000 metric tons, and planned to use 900,000 tons as human food, 200,000 for animal feeds, and the rest as seed for 1943. The crop was 16 percent better than that of 1941. The 1942 Spanish

(Continued on p. 30)

Commercial Standards
Cement Inter-American Trade

By SARAH C. SAUNDERS, *Industrial Projects Unit, Bureau of Foreign and Domestic Commerce*

PROSPECTS FOR IMPROVED TRADE relations and increased business between the United States and the other American Republics are being strengthened by the issuance of commercial standards in both Spanish and Portuguese, as well as English versions. Distribution of these standards in the languages of the other Americas is now being effected at an average rate of better than one a month.

A commercial standard is a voluntary recorded agreement among producers, distributors, and consumers, as to terminology, types, classifications, grades, sizes, and use characteristics of manufactured products. Recorded standards form a means of better understanding between buyer and seller. They set up a standard of quality below which a given product, if sold under this standard, must not fall.

If, for instance, the manufacturers of Diesel engines, together with distributors and users of this product, agree on certain definitions, ratings, specifications, and requirements, without which no Diesel engine may bear a certain label, the written summary of these agreements, entered into voluntarily by the manufacturers under the leadership of the Division of Trade Standards, National Bureau of Standards, is a commercial standard. There is such a standard, already issued in English and soon to be released in both Spanish and Portuguese. It bears the name "Diesel and Fuel-Oil Engines (Export Classifications), Commercial Standard CS102E-42," and it was issued by the National Bureau of Standards, Department of Commerce, in 1942. Conspicuous in the printed copy is the picture of a label which every Diesel engine conforming to this standard should bear. Thus any buyer of an engine bearing this label is assured that he is receiving standard quality.

Varied in Character

The cooperative work of developing and issuing commercial standards as a means of safeguarding the consumer, whether commercial or individual, and of maintaining high rates of manufacture and quality output in essential business began in 1927. To date more than a hundred of them have been accepted by United States manufacturers and printed in English by the National Bureau of Standards. They are a varied collection covering, among other things, plumbing fixtures, men's pajamas, knit underwear, mattresses, wall paper, clinical thermometers, fuel oils, mirrors, dress patterns, oak flooring, plywood, feldspar, disinfectants and insecticides, lead pipe, portable electric drills (exclusive of high frequency), space heaters, and treading of automobile and truck tires, as well as Diesel engines. Most of these standards are planned for domestic use; a few of them are adopted for export only and are so marked.

Method of Procedure

Initial steps in drawing up a commercial standard may be taken by a group of producers, distributors, or consumers. Upon request from such a group, the Division of Trade Standards contributes leadership in research, coordinates the efforts of the different agencies involved, and, following development, adjustment, and adoption, publishes the standard as a means of information and guidance for both buyers and sellers of the particular commodity covered. Before any standard is published, manufacturers of at least 65 percent of the production volume of that commodity must have accepted the standard.

How Enforced?

The question may arise as to how conformity to a commercial standard is enforced. Such policing as may be necessary is done by the industry itself, partly through trade association action and moral suasion. When a product known to be covered by a standard is placed on the market without a quality guar-

THE MANUFACTURER CERTIFIES THAT THIS ENGINE COMPLIES WITH ALL REQUIREMENTS OF THE APPLICABLE PARTS OF COMMERCIAL STANDARD CS102E-42 AS ISSUED BY THE NATIONAL BUREAU OF STANDARDS OF THE UNITED STATES DEPARTMENT OF COMMERCE.
UNITED STATES OF AMERICA
COPYRIGHTED 1942
The Diesel Engine Manufacturers Association

Example of certificate attesting compliance with established standards.

546092—43——2

(Cut on this line)

CS102E–42

ACCEPTANCE OF COMMERCIAL STANDARD [1]

If acceptance has not previously been filed, this sheet properly filled in, signed, and returned will provide for the recording of your organization as an acceptor of this commercial standard.

Date.....

Division of Trade Standards,
National Bureau of Standards,
Washington, D. C.

Gentlemen:

Having considered the statements on the reverse side of this sheet, we accept the Commercial Standard CS102E–42 as our standard of practice in the production, labeling, and rating of Diesel and fuel-oil engines (export classifications).

We will assist in securing its general recognition and use, and will cooperate with the standing committee to effect revisions of the standard when necessary.

Signature of individual officer .....
(In ink)

(Kindly typewrite or print the following lines)

Name and title of above officer.....

Organization.....
(Fill in exactly as it should be listed)

Street address.....

City and State.....

[1] Please file separate acceptances for all subsidiary companies and affiliates which should be listed separately as acceptors. In the case of related interests desiring to record their general approval, the words "in principle" should be added after the signature.

anty or a self-certifying label, the purchaser should immediately be on his guard. If a producer willfully sells substandard goods under a written guaranty or under a self-certifying label as conforming to the commercial standard, he is guilty of a breach of sales contract and hence is liable to legal action. Such practice may likewise serve as basis for action through the Federal Trade Commission or under various State laws for the prevention of misrepresentation.

In Spanish and Portuguese

Several years ago, manufacturers of different export materials, wishing to facilitate trade with the other American Republics, conceived the idea that it might be well to publish in Portuguese for Brazil and in Spanish for the other Central and South American Republics, some of the commercial standards already promulgated in English. When a request for this service was made to the U. S. Department of Commerce, it was decided that the Bureau of Foreign and Domestic Commerce should accept responsibility for translating, printing, and distributing commercial standards for export. Thus the finished version is the result of cooperation among the manufacturers, the National Bureau of Standards, and the Bureau of Foreign and Domestic Commerce, The Department of State distributes the standards through United States commercial agents in each of the other American Republics. Recently the Office of the Coordinator of Inter-American Affairs has cooperated in preparing the material.

Time and Care

The work of translating and distributing commercial standards requires time and care. First, a representative number of firms in a certain industry making and exporting a product covered by a commercial standard request that the document be translated into Spanish or Portuguese, or both. After advising with the Trade in the United States and after judicious foreign inquiry, the National Bureau of Standards and the Bureau of Foreign and Domestic Commerce, jointly, determine to have the translation made.

After the work of translation has been completed, processed copies are sent by the two Bureaus to representative members of the respective trade who are "acceptors" of the particular standard and, through the Department of State, to various commercial agents in the other American Republics. These copies are distributed with the request that they be placed in the hands of persons competent to evaluate them and to suggest improvements. After all suggestions for improvements have been received, the original translations are reviewed and adjusted before being printed in final form.

Distribution

During the fiscal year ended June 30, 1943, 11 of these standards were distributed in the other American Republics. They were sent through the Department of State to our commercial agents to be placed in public libraries, technical schools, and appropriate Government Departments. The attention of engineers and importers interested in the commodity covered by the particular standard is invited. Hundreds of copies of each Spanish edition are distributed in 58 leading South American and Central American cities. Portuguese editions are distributed to 10 Brazilian cities.

Well Received

The following quotations taken from correspondence with commercial agents in the field would indicate that the commercial standards are being well received:

"The translation in general, and the purpose in particular, met with an excellent reception."

"It is believed that this text will meet the most exacting criteria of Mexican usage, both lexical and grammatical."

"The diagrams given in this publication will make it extremely helpful."

"The translation will be of inestimable value to Latin American plumbers and plumbing-supply houses."

"This organization has found the publication of such interest that it has requested 25 copies for distribution among importers of cast-iron enameled ware."

"Undoubtedly this pamphlet fills a gap, as there is quite a large amount of glassware which yearly turns useless, due to the breaking of joints and stoppers, there being no possibility of replacing them without standardizing dimensional requirements and methods of marking interchangeable ground-glass joints, stopcocks, and stoppers. This will be of interest to biological and pharmaceutical laboratories."

At present 11 other standards have been translated, of which 8 are in the hands of the printers and 3 are in the field being reviewed. These will all be on their way to the other American Republics within a short time.

Many Are Interested

Among the Government officials, trade associations, and individual manufacturing firms (not included in a trade association) who, through their cooperation, have made commercial standards for export possible are: I. J.

Fairchild, Chief, Division of Trade Standards, National Bureau of Standards; H. B. McCoy, Chief, Division of Industrial Economy, Bureau of Foreign and Domestic Commerce; Douglas Fir Plywood Association; Diamond Core Drill Manufacturers Association; Diesel Engine Manufacturers Association; Hardwood Dimension Manufacturers Association; National Association of Insecticide and Disinfectant Manufacturers, Inc.; National Oak Flooring Manufacturers Association; Sanitary Cast Iron Enameled Ware Association; Scientific Apparatus Makers of America; Vitreous China Plumbing Fixtures Association; Link-Belt Speeder Corporation; Bucyrus-Erie Co.; Koehring Co.; Marion Steam Shovel Co.; Harnischfeger Corporation, and many others.

Salient Examples

Oldest of the standards, from point of view of origin, but most recent considering time of translation, is Staple Vitreous China Plumbing Fixtures, Commercial Standard CS20–42. The first public conference planned to discuss a standard for plumbing fixtures was held September 22, 1926. It resulted in the establishment of a Simplified Practice Recommendation for plumbing fixtures. Later this was expanded into Commercial Standard CS20–30 and made effective for new production as of March 3, 1930. After two additional revisions, the principles of which were recommended by the Vitreous China Plumbing Fixtures Association and accepted by a satisfactory majority of manufacturers, the present standard became effective July 10, 1942. Both Spanish and Portuguese translations were recently completed and are now being reviewed by distributors and officials in several of the American Republics.

Approximately 1,100 interested organizations were invited to a conference requested by the Diamond Core Drill Manufacturers Association and conducted under the auspices of the National Bureau of Standards, on May 27, 1929, in Chicago, Ill. This conference paved the way for the promulgation of Diamond Core Drill Fittings, Commercial Standard CS17–30, effective for new production on January 1, 1930. Two subsequent revisions, resulting from experience, have brought the standard up to date; now it is known as Commercial Standard CS17–42. Translated into Spanish, it was distributed to the trade and to the other American Republics in May 1943.

Among the most useful standards so far distributed in both Spanish and Portuguese is Interchangeable Ground-Glass Joints, Stopcocks, and Stoppers, Commercial Standard CS21–39. Health, pharmaceutical, and sanitation associations, as well as major universities and laboratories, backed it. Manufacturers of chemicals, scientific instruments, and oil and food products, were among the "acceptors"; commercial analytical laboratories were interested also. Originating in December 1929, and going through three revisions, it was brought up to its present form and made effective February 15, 1939. Both Spanish and Portuguese editions were distributed early in 1943 and have received much favorable comment.

Not all the standards agreed to have been established and put into operation on an individual basis. Sometimes the products of a trade may be quite different in origin, yet similar in use. Hardwood dimension lumber, for example, although covered by a single standard, applies to several varieties of wood. It is estimated that approximately 50 products are covered by the commercial standards being translated for export.

Six Years Ago

Five of these standards originated at the same time, back in 1937, when the National Association of Insecticide and Disinfectant Manufacturers, Inc., requested the establishment of standards covering the more important products of that industry. With little exception, all five standards followed similar steps toward adoption, three becoming effec- Type), Commercial Standard CS72–38; February 1, 1941. The Portuguese editions of these are the more recent ones to be distributed; the Spanish editions are just off the press. These standards are: Household Insecticide (Liquid Spray Type) Commercial Standard CS72–38; Liquid Hypochloride Disinfectant, Deodorant, and Germicide, Commercial Standard CS68–38; Pine Oil Disinfectant, Commercial Standard CS69–38; Phenolic Disinfectant (Emulsifying Type), Commercial Standard CS70–41; and Phenolic Disinfectant (Soluble Type), Commercial Standard CS71–41. The last two were printed together.

Spirit of Cooperation

Hardwood Dimension Lumber (Exports), Commercial Standard CS60E–41, is an excellent example of the spirit of cooperation which is necessary to make the standards project a success In 1939, the Hardwood Dimension Manufacturers

(Continued on p. 28)

DEPARTAMENTO DE COMERCIO DE LOS E. U. A. OFICINA NACIONAL DE NORMAS

PROMULGACIÓN

de la

NORMA COMERCIAL CS90E–41

para

PALAS MECÁNICAS, GRÚAS PARA IZAR, EXCAVADORAS DE BALDE DE ARRASTRE Y DE BALDE DE GRAMPAS TIPOS GIRATORIOS, MONTADAS SOBRE RODADO A ORUGAS (CLASIFICACIONES PARA EXPORTACIÓN)

El 6 de Junio de 1940 una Asamblea de los principales fabricantes adoptó la norma comercial recomendada para palas mecánicas, grúas para izar, excavadoras de balde de arrastre y de balde de grampas, tipos giratorios, montadas sobre rodado a orugas (Clasificaciones para exportación). Los interesados aceptaron y aprobaron luego para su promulgación por el Departamento de Comercio de los Estados Unidos de América, por conducto de la Oficina Nacional de Normas, la norma que a continuación se indica.

La norma entra en vigencia para nuevos pedidos a partir del 9 de Enero de 1941.

Promulgación recomendada.

I. J. Fairchild,
Jefe, División de Normas Industriales.

Promulgada.

Lyman J. Briggs,
Director, Oficina Nacional de Normas.

Promulgación aprobada.

Jesse H. Jones,
Secretario de Comercio.

Spanish version of the promulgation of a Commercial Standard.

News by COUNTRIES

Australia

Tariffs and Trade Controls

Educational Films Admitted Free of Duty Under Certain Conditions.—Motion-picture films, certified by either the Cultural Relations Division of the Department of State or the United States Office of Education as being of an international educational character, will be admitted into Australia free of import duty, under the provisions of bylaw No. 1001, effective June 14, 1943, says a report of July 20 from the American Consulate General, Sydney.

Belgian Congo and Ruanda-Urundi

Wartime Commodity Controls

Gasoline and Lubricating Oils Rationed.—Rationing of gasoline, except for aviation, and of lubricating oils for motors has been established in the Belgian Congo and in Ruanda-Urundi, effective from May 1, 1943, by legislative ordinance No. 122/A. E. of April 24, 1943, published in the Bulletin Administratif of April 25.

This action has been taken because of war operations and shipping difficulties, it is stated.

Tariffs and Trade Controls

Protective Articles for Workers: Import Duty Reduced.—Specified articles of equipment, apparatus, or devices intended for the protection or safety of workers have been made dutiable in the Belgian Congo and Ruanda-Urundi at 5 percent (formerly 15 percent) ad valorem, effective from May 5, 1943, by ordinance law No. 137/Fin.-Dou. of May 5, published in the Bulletin Administratif of May 10, 1943.

The articles specified are boots, helmets, gloves, screens, goggles, blouses and garments of asbestos, masks and similar articles for miners, welders, furnace workers, and the like.

Bolivia

Economic Conditions

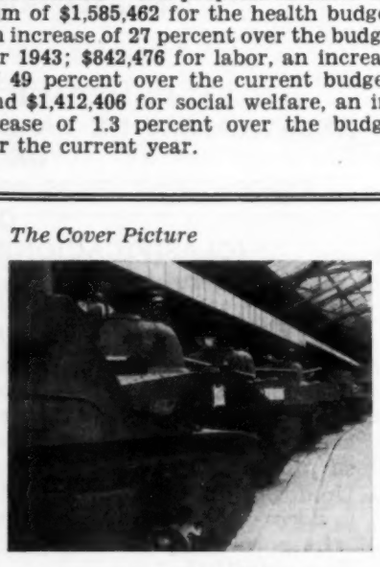
General Trends

Considerable publicity was given during June 1943 to a statement by a high official of one of the largest mining companies in Bolivia that new metallurgical installations at the mines would increase tin production by 730 tons during the year. The installation referred to is probably the proposed sink-and-float plant at Llallagua, for which equipment has been ordered; but it is hardly likely that the new plant can be in actual operation before July 1944, and, therefore, no increase in the production rate can be expected for the current year. Moreover, reliable engineers believe that the increased production of the new plant may be more than counterbalanced by the fact that the mines are progressively working lower-grade ores.

June marked the first anniversary of the establishment in La Paz of a branch of the Banco Popular del Peru. It was announced that the capital of the Bank has been increased from 10,000,000 to 20,000,000 bolivianos; that the capital and reserve on December 31, 1942, totaled 20,933,890 bolivianos; and that the Bank's balance on that date was 81,340,538 bolivianos. Savings accounts amounted to 4,283,458 bolivianos. It appears that the bank has made excellent progress and that its influence will tend to facilitate and increase Bolivian trade with Peru.

The Ministry of Labor and Social Welfare announced its proposed budget for 1944, showing a considerable increase in the allotments for health services, supervision of labor conditions, and social welfare benefits. The proposal includes the sum of $1,585,462 for the health budget, an increase of 27 percent over the budget for 1943; $842,476 for labor, an increase of 49 percent over the current budget; and $1,412,406 for social welfare, an increase of 1.3 percent over the budget for the current year.

The Cover Picture



Some Deadly Weapons

In our cover picture this week—furnished by the Office of War Information—we see an array of M-4 tanks and M-7 mobile howitzer carriages rolling off the production lines of the American Locomotive Co., in Schenectady, N. Y.

A portion of an M-7 shows in the foreground, followed by three M-4's and another M-7.

Bolivian importers have been complaining about the action of the Government during April in raising the freight charges on imported flour. These importers are bound by contracts made prior to April, and the new freight rates make it impossible for them to meet the price of domestic flour, which is at present fixed at 146 bolivianos per quintal. However, it is believed that those who had signed contracts prior to the date of the new regulation will be permitted to pay the freight rates at the old rate until the contract expires.

Mining

Late in June, the Minister of Finance again demanded payment of the established tax of 10 percent on all dividends distributed by mining companies operating in Bolivia. Companies incorporated outside of Bolivia have not paid this tax and have had recourse to lengthy court actions based on the claim that the Bolivian Government has no jurisdiction over the actions of corporations outside of Bolivia. It is expected that the new Bolivian Congress will review this question.

The June bulletin of the Banco Minero reported that efforts to get the new Texas tin-smelting plant to accept a large proportion of low-grade ore have failed. This is discouraging news for small miners in Bolivia who do not have the necessary apparatus to improve the grade of their ore. A decree issued early in July directs that quotas be set for the various tin producers, determining the amount of low-grade ore that each may ship, within the total permitted under the contract with the Metals Reserve Co.

Agriculture

The Bolivian Development Corporation has arranged to lend $500,000 to the Banco Agrícola, with the provision that, in case of necessity, the loan may be increased to $1,000,000. The Banco Agrícola has announced a four-point program for the use of these funds to further agricultural development in Bolivia, as follows:

(1) The production of rice in the Department of Santa Cruz, which was reported to have reached 25,000 quintals (of about 100 pounds each) in the first half of the present year, is to be increased in the hope of reaching self-sufficiency in this staple. However, imports of rice in 1942 amounted to 224,473 quintals, and the goal will, therefore, not easily be attained. Furthermore, subsequent reports indicate that unfavorable weather has ruined 70 percent of the rice crop;

(2) Loans are to be made to importers of livestock for increasing the herds of cattle, with the expectation that the country will be self-sufficient after 2 years;

(3) Loans will be granted for the purpose of establishing sugar refineries. No mention is made of loans to growers of sugarcane, probably for the reason that prices paid for sugarcane by distillers of alcohol are higher than those paid by sugar refineries, and that an increase in sugarcane production would by no means guarantee a corresponding increase in the production of refined sugar; and

(4) Efforts to increase wheat production will be continued. Loans already granted by the Bank to individual producers have resulted in the supplying of 600 tons of wheat during the past 3 months by the Department of Chuquisaca to the La Paz area. No statistics relative to the annual consumption of wheat are available, but the significance of this figure may be realized from the fact that 2,743 tons of wheat were imported from abroad in 1942.

The Banco Agrícola also announced its intention to continue its policy of aiding small farmers by importing for them agricultural machines of low cost and simple operation. If these machines can be obtained, and if the small farmers prove receptive to their use, this may be of considerable aid in counteracting the shortage of farm labor.

Reports during June from the Department of Cochabamba indicated that crops of wheat, corn, quinua, barley, and oats were ample. However, the potato crop in some Provinces was poor because of the drought and early frosts. A scarcity of potatoes was, therefore, expected sometime in August.

The crops of the Department of Santa Cruz were reported normal, with the exception of rice. Because of high winds, 70 percent of the rice crop was lost, with the result that price quotations for rice rose sharply. The corn production was excellent, but owing to the high cost of transportation, it is improbable that large amounts will be shipped to other areas. The price has fallen, and the corn will be used during the winter to fatten hogs. The price of sugar is only half of last year's quotation, because of an increase in production and extensive imports of refined sugar from abroad. The imported sugar is of better quality and is preferred by the consumers, despite its higher price. Another problem encountered by the sugarcane growers is that distillers of alcohol—formerly the best buyers of molasses—have increased their own cultivation of cane.

To promote the production of coffee in the "Yungas" area (semitropical valleys near La Paz), the Government has reduced the tax levied on coffee entering the city of La Paz from 66 bolivianos to 18 bolivianos per quintal. The former tax rate was calculated as 10 percent of the selling price of coffee in La Paz, and amounted roughly to 1½ cents per pound. The reduction in this one tax, therefore, would not appear sufficiently important to warrant press comments that coffee would now be considerably less expensive in the markets of La Paz, as it is hardly likely that there will be any reduction at all in the selling prices as a result of this action. However, 10 percent of the selling price would be a considerably higher percentage of the cost of production, and the extra margin of profit for the producers may in fact have the desired result of lowering prices. The press is now demanding similar reductions in the taxes on fruit and milk.

A representative of the Rubber Development Corporation in Bolivia made a trip to Belem and Manaos (Brazil) to discuss the question of food supplies with Rubber Development Corporation authorities there, particularly concerning delays in moving supplies to Bolivia, in the hope that the situation will be alleviated. Bolivia has large supplies of charque (dried meat) which is badly needed in Brazil, and could thus provide return freight. Brazil has designated Porto Velho (Brazil) as a distributing center for Bolivia, and this should be of great assistance in bringing supplies to Guayaramerin across the border. Several chartered airplanes have been used to distribute supplies received from Manaos. Planes were required because of the difficulties of river transportation, due to the drop in the water level. Certain points on the Upper Acre River were inaccessible, the level of the water having dropped to 2½ feet.

Some difficulty occurred during June between rubber workers and Indians in the Magdalena and Itenez regions.

Despite unseasonable rains in the cinchona areas, considerable quantities of cinchona bark continued to arrive at La Paz. The market has been affected by the inauguration of the new Quinbol quinine-extraction plant which is marketing its quinine sulphate at a high price, and has made some shipments to Portugal via Buenos Aires. This com-

Pertinent Comments on World Economy Today

[Being one of a series of excerpts from books, pamphlets, and speeches]

Looking Some Thorny Post-War Problems in the Face

Exchange stabilization depends essentially upon effective balancing of international payments. If there is a freely moving and large volume of payments both ways, offsetting imports by exports, it is relatively easy to handle the financial transfers involved and to keep the exchange rates stable.

It is very important that national demobilization programs [after the end of the war] shall not be complicated by sudden and violent strains on the exchange rates. To keep a great volume of trade moving smoothly at a time when production costs and price levels are as badly out of equilibrium between the trading countries as they are likely to be at the end of the war, is no easy task. In restoring freer trade, it must be remembered also that many of the wartime purchasing agreements, development contracts, and price agreements will outlast the war and will need to be incorporated in the post-war trading system.

This leads by a natural progression from the monetary and trading systems to the problem of commodity production and price controls. The virtues of competition and freer trade are many; but what responsible government can contemplate letting free competition loose on a market where synthetic rubber costs about 25 cents and natural rubber is purchased on long contracts up to 50 cents, but can probably be produced on Far Eastern plantations at costs as low as 10 or even 5 cents per pound?

If it were not for wartime controls we should already be vividly aware of the discrepancies between *surplus production* in some areas and *shortages of essential commodities* in others. To restore a free flow of trade and in doing so to smooth out the worst of these discrepancies without allowing violent price fluctuations to cause first inflation and then sudden deflation, means that controls must be continued.

Judicious stock-piling and prices calculated to discourage the accumulation of new surpluses may be conceived to smooth over the transition—but to execute such policies new organs of international control are needed.

Moreover, it is unrealistic to believe that commodity controls of this character can be constructively managed unless there is a well-conceived long-range planning of the international division of labor. Such planning is not a new fetish. It used to be called free enterprise—the anticipation and planning of production for future needs. In the modern world government has a larger hand in such enterprise, and it must be coordinated in a more conscious way and on a world scale.

This leads inevitably to the belated realization of the truth that economists have long urged—that *prosperity* forms the *body*, if competition the *soul*, of trade.

There are two major aspects of coordinated planning for prosperity—the smoothing out of cyclical fluctuations (which is largely, but not wholly, a matter of coordinated monetary policies among the nations) and a long-run program of economic *development* designed to raise living standards and increase production and purchasing power in hitherto industrially backward areas.

From "The United Nations and the Organization of Peace," an International Conciliation Report published by the Carnegie Endowment for International Peace, New York City.

Nazi Shipping Between Tromsö and Petsamo

German shipping between Tromsö, in northern Norway, and Petsamo, in Finland, has been far less during the past year than previously, says a statement by an agency of the Norwegian Government in Exile. Several reasons are offered for this decline. In the first place the Germans have assigned fewer ships to that northern region, and, secondly, there is no immediate prospect of any German offensive in northern Russia. The 1,500 German deserters in Finnmark confirm the latter fact with their tales of the "hopeless situation" on the northern front. It is also true that it has become extremely difficult for German ships to reach Petsamo because of the Russian batteries commanding the entrance to the harbor. The German ships, if they are to reach Petsamo at all, must sneak along the Norwegian side of the fjord under the protection of bad weather and low visibility.

In order to protect shipping north of Tromsö the Germans have, particularly during the past winter, extended their mine fields outside the regular ship routes along the coast. At some places the regular routes for shipping have been blocked by new mine fields, and new routes have been laid out inside islands or skerries.

This situation has resulted in an increased shortage of Norwegian pilots, since comparatively few hold certificates for the new ship routes. The Germans have tried to get around the pilot shortage by placing pilots aboard only the two leading ships of each convoy, but this is regarded as suicidal. Several German ships have run aground, and others have been sunk by German mines. At Tromsö the German ships are, reportedly, often delayed for 4 to 5 days while waiting for pilots to become available.

pany has stated that its production was all promised far in advance and that outstanding orders totaled 10,000 kilograms. It has been paying 1,600 bolivianos per 100 pounds of bark, which is more than American purchasers were offering.

A new order emanating from the Bolivian Minister of Finance obliges cinchona-bark exporters to present evidence that the internal taxes have been paid before an export license can be granted. Heretofore these taxes were collected only at two points and affected bark coming from the Sorata, Mapiri, Coroico, and Chulumani areas. Indians bringing in small quantities of bark on mules or llamas were able to bypass these collection stations and thereby evade the tax. Bark from the Apolo area, which is brought in by plane and which has never paid the tax, will be forced to do so under the new regulation. The order does not mention bark purchased by the two local extraction plants, and it is assumed that they will be able to take advantage of bark which arrives in La Paz with the tax unpaid.

A survey of the Balsa Pampa area has been completed, and it is estimated that 2,000 tons of cinchona bark are available there. It can be brought out only by airplane, and measures have been taken to begin the construction of a landing field as soon as a site is selected.

Transportation

Because of numerous complaints concerning delays in the distribution of international parcel-post shipments to points in the interior of Bolivia, a plan is being prepared for the decentralization of the parcel-post service, which is expected to go into effect by the end of August.

Price Trends and Cost of Living

In La Paz, the cost of articles of prime necessity (staple articles of food) rose during June to 2 percent higher than in May and 6.3 percent higher than in January 1943. The index figure for fuel rose 6.1 percent over May and 10.2 percent over January. The price of clothing dropped 0.4 percent as compared with May, but is still 20.4 percent higher than in January. Services and rents remained at the same level as in May.

Among other cities, those showing the largest increases during June in the general cost of living index were Sucre, with the June index 29.7 percent higher than for January 1943; Trinidad, with an increase of 26.9 percent over January; and Tarija, in which the June index was 24.8 percent higher than in January 1943.

For those paid in American currency, the percentages of increase in the cost of living over that for January must be increased by 9.5 percent because of the revaluation of the boliviano at 42 to the dollar in February (previously 46 to the dollar).

Tariffs and Trade Controls

Modern Silver Articles: Export Prohibition Removed.—The exportation of modern silver articles from Bolivia was authorized by a recent decree, subject to a fixed tax on the fabricated silver. All articles must be stamped 900 fine by the chemical laboratory of the Customs in La Paz, and by the Internal Revenue Office in other cities. Articles which do not have the stamp affixed will be confiscated, and the producer or seller will be fined a sum equal to the value of the article. Confiscated articles will be smelted and the silver sold at auction, and the proceeds will be used to encourage popular art. The prohibition against the exportation of antique silver articles continues in force.

[See Commerce Reports of May 9, 1936, for notice of export prohibition of manufactured gold and silver in jewelry and money, which is now modified to permit the exportation of modern silver articles.]

British West Africa

Exchange and Finance

High Point in Currency Circulation in British West Africa.—Circulation of West African coin and currency notes in Gambia, Sierra Leone, Gold Coast, and Nigeria reached the all-time peak of £22,100,000 on December 31, 1942, and on that date the Currency Reserve Fund amounted to £24,500,000 and securities held by the West African Currency Board were nominally valued at £20,800,000, says the Nigeria Gazette for June 3.

Circulation increased £4,300,000 between June 30 and December 31, 1942.

Canada

Economic Conditions

Current Business Conditions in British Columbia

Employment in British Columbia is at peak levels which, coupled with high wages, has greatly increased consumers' purchasing power. As a consequence, retail trade is considerably above that of a year ago despite definite shortages of many articles in everyday demand.

The problem which merchants must solve is one of replenishing stocks, rather than increasing sales. Most of the stores in urban centers now remain closed all day on Wednesdays, and many specialty stores, such as those handling candy, are open but 1 or 2 hours each day.

Owing to the scarcity of lumber and other building materials, private construction work in British Columbia for the first 6 months of 1943 was 50 percent below that of last year. As most of the Government wartime building projects have now been completed, it is anticipated that considerable supplies of lumber will become available for the construction of homes.

Army Men To Be Available for Farm Labor

The Departments of National Defence and Labor are working on a joint plan which would permit the detailing of certain men in the Army in Canada to farm labor. This is in addition to what is commonly known as compassionate farm leave. Preliminary announcements indicate that the arrangement will include the following provisions:

Men will be detailed to specific farms for periods of 30 days, with provisions for extension.

Fixed rates of pay will be charged to employing farmers for the soldiers' services, such wages to be paid in full to agents representing the governments of the Provinces and of the Dominion to be turned over to Army paymasters.

During details to farm labor, Army pay and allowances will be continued and, in addition, the soldiers will receive the difference between their Army pay and allowances and the amount charged employing farmers for their services.

The program will be administered under the existing Dominion-Provincial Farm Labour Agreement with the Dominion and Provincial Governments sharing in the responsibility and administrative expense.

Up to 10 percent of the strength of operational units may be detailed to farm work.

From depots and other formations outside of training there will be no limit on the percentage, with as many men being detailed as can be spared from the formations.

No men will be detailed from training centers.

All farm details will be subject to the exigencies of the service as may be determined by the district officers commanding.

Nearly 500 German military prisoners were "borrowed" from a camp in southern Alberta and were transported daily to and from sugar-beet fields in that area. The growers report that the assistance obtained in this way was particularly helpful, and the prisoners appeared to work industriously and willingly. No incidents of any sort are reported as a result of having the men work away from the camp. Consideration is being given to further uses of prisoners in connection with the potato crop and general agricultural work.

The National Selective Service has offered to extend the War Emergency Training Program to women preparing for year-round employment in agriculture, provided the Provincial authorities find that this program would aid in the recruitment and placement of women workers. The plan contemplates the employment of women on dairy and livestock farms, as well as on seasonal fruit and vegetable farms where many already are working.

Agricultural Season Late

The weather in British Columbia during the past 2 months has been cool and variable, and the lack of warm sunshine has retarded the growing season by approximately 3 weeks.

The yield of strawberries has been light, but the sweet-cherry harvest has been exceptionally good, with very little damage from splitting. In the orchards there appears to be a normal development of all kinds of tree fruits, except where tree weakness is evident from winter injury. Tree weakness from this cause is becoming more apparent with the advent of high temperatures. Preliminary estimates indicate that the commercial apple crop will be at least 24 percent below the harvest of last year. The peach crop is a failure.

There is a good range and supply of vegetables available, and the prospects of succession crops are good. Prices of all fresh fruits and vegetables are considerably above those of last year, and further increases may be anticipated if the sale of canned goods is "frozen."

Lumber Output Reduced: Higher Prices and Subsidy

The log scale in British Columbia for the first 6 months of 1943 of 928,000,000 board feet is approximately 25 percent below the cut for the corresponding period of 1942. During June, when the usual summer closure periods were shortened, there was a slight increase over last year. However, there is a shortage of 3,500 to 4,000 loggers which has as yet not been overcome, despite the efforts of the Government to make work in the woods more attractive by granting time-and-a-half pay for overtime work, and it appears likely that the cut for the year will be about 30 percent below that of 1942.

During June the Canadian Timber Controller authorized a price increase of $1 a thousand board feet for logs. The Dominion Government also authorized the payment of a subsidy of $4 to sawmills for each 1,000 board feet of lumber sold in Canada.

As a result of the authorized increase in the price of logs, shingle mills that are operating at a loss, or that have not been able to maintain profits at prewar levels, may apply to the Dominion Government for a subsidy of 50 cents a square.

Export permits were issued covering shipments to the United States of 15,000,000 feet of hemlock or balsam pulp logs cut from crown-grant lands.

Log stocks on the Vancouver market at the end of June, amounting to approximately 144,000,000 board feet, were but 68 percent of the quantity on hand at that time last year, and but 45 percent of the stocks on hand in June 1941.

Half of Fresh-Halibut Catch Frozen

In June, the Wartime Prices and Trade Board issued instructions compelling the freezing of half of all halibut landed by Canadian vessels. Very little halibut has been frozen this year, as uncontrolled fresh-fish prices were considerably above the ceiling prices fixed for the frozen fish, and the order referred to above became effective too late in the season to increase frozen stocks substantially.

The salmon pack in British Columbia as of July 31, 1943, was 211,272 cases (of 48 pounds each), compared with a pack of 302,567 cases at that time last year, a decrease of approximately 30 percent. According to an announcement made by the Minister of Fisheries, approximately 200,000 cases of this year's salmon pack will be made available for domestic consumption.

As of July 24, 1943, fishermen in British Columbia had landed 12,044 tons of green pilchards. Six reduction plants operating this season have produced 2,186 tons of meal and 132,096 imperial gallons of oil from this catch and, in addition, have canned 15,936 cases of pilchards.

Costa Rica

Tariffs and Trade Controls

Permits Denied for the Exportation of Specified Products.—Permits for the exportation from Costa Rica of cotton

New Construction Speeds Inter-American Highway Travel

Acceleration of construction on the Inter-American Highway in Central America has facilitated overland motor travel, as illustrated in a recent 6-day motor trip made by a group of United States engineers and transportation specialists from Ayutla, Guatemala, on the Mexican border, to San Jose, Costa Rica. This thousand-mile trip was made in 70 hours travel time at an average speed of about 14 miles an hour, according to Col. Edward C. Kelton, of the U. S. Army Engineers, in charge of the wartime "pioneer" road building for the closing of remaining gaps in this strategic highway running toward the Panama Canal.

Work on the "pioneer" roads to hasten completion of an overland route to the Panama Canal has been rushed in the last few months with technical and financial aid from the United States. "The cooperation of every country with the United States in this endeavor has been remarkable," said Colonel Kelton. "The one thought in the mind of everyone seems to have been to push the work to an early completion."

The party which traveled from the Mexican border to the capital of Costa Rica used station wagons, supplemented by army "jeeps" through the rough territory of northern Costa Rica. The party, according to Colonel Kelton, saw on the trip a memorable panorama of inter-American cooperation, involving some 20,000 men in the Central American countries, using ancient and modern tools, oxcarts and trucks, picks and shovels, wheelbarrows and carry-alls, hand drills and sledges, and the most modern air compressors and wagon drills. "All of them were working for a common cause," said Colonel Kelton. "Old enmities have been forgotten."

On the trip, the highway engineers saw evidence of the engineering skill of the old Spaniards, including a still-standing bridge in Guatemala built by the Spaniards in 1591. Colonel Kelton said he was impressed by the "magnificent and skillful work of Guatemalan masons" on bridge-construction jobs. The road building in Guatemala is largely a hand-labor job, augmented by use of modern United States-made highway equipment for making cuts and fills.

Construction of the Inter-American Highway in Central America, which has been accelerated during the dry season, involves some of the most formidable engineering problems that road builders have yet encountered in the Western Hemisphere. Besides heavy rains during the wet season, the road builders must contend with a rugged terrain, with mountains rising as high as 11,000 feet.

Possibilities of using the highway for trucking operations were studied on the trip, along with the investigation of progress and construction problems.

In Honduras and Nicaragua, the party bumped over oxcart trails, which served as reminders of the quickened transition to the Motor Age which parts of Central America now are experiencing as a result of the accelerated wartime road building.

goods, tools, machinery, hardware, leather of all kinds, rubber of all kinds, sawed lumber, furniture, and articles manufactured from imported materials subject to rationing will not be countersigned by the General Supply Board (Junta General de Abastos), according to an announcement of June 22, 1943. This, in effect, prevents the exportation of these products.

(The General Supply Board, which is charged principally with the control of prices and the prevention of inflation in Costa Rica, was created by executive decree No. 3 of January 20, 1943. Decree No. 35, promulgated May 14, 1943, required export permits, with specified exceptions, to be countersigned by the Board, before exportation would be permitted. The activities of the Board keep it informed regarding the stocks of foreign and domestic goods existing in the Republic. It is therefore, in the best position to determine the country's needs.)

France

Tariffs and Trade Controls

Copper Oxychloride: Import Duty Suspended Temporarily.—The French import duty on copper oxychloride has been suspended for the period of March 18 to September 30, 1943, inclusive, by an order of March 2, published in the Journal Officiel of March 18, 1943.

Fur Skins and Furs: Special Sales Tax Increased.—The special sales tax on fur skins and furs in France, intended to cover the administrative expenses of the Organization Committee for Fur Skins and Furs, has been increased from 0.25 percent to 0.40 percent until December 31, 1943, by an order of March 15, published in the Journal Officiel of March 18, 1943.

[See FOREIGN COMMERCE WEEKLY of Jan. 9, 1943, for announcement of a previous reduction in this tax.]

Measures for Supplying the Nation in Wartime Revised.—The French Minister-Secretary of State for Agriculture and Supplies is charged with guaranteeing the purchase, stocking, and sale of products, foodstuffs, substances or articles necessary for the satisfaction of the needs of agricultural production, of supplying the civil population, and of civil or military communities, by law No. 114 and two orders of February 22, 1943, published in the Journal Officiel of March 20.

The Minister-Secretary is to act either directly, or through the medium of the groups or syndicates established under the law of July 11, 1938, for the control of importation and distribution of various products (see COMMERCE REPORTS of March 9, 1940), or of the national, regional, or departmental groups organized under the law of October 23, 1941, reorganizing the control of supplies. (See FOREIGN COMMERCE WEEKLY of Aug. 15, 1942.)

A special fund has been established, effective May 1, 1943, to cover expenses incurred in commercial and financing operations, payment of premiums for production and delivery, payment of guaranties and loans, and settlement of disputes, and the like.

Organization Committee of Import and Export Trade Created.—An Organization Committee of Import and Export Trade has been created in France, to operate under the General Organization Committee of Commerce, by an order of March 1, 1943, published in the Journal Officiel of March 10.

This new committee is to include all enterprises, agents, or persons connected with importation or exportation.

Wood to be Imported Only by Committee for Importation of Forest Products.—All foreign and colonial wood imported into France must be consigned to the Committee for Importation of Products of Forests and Sawmills, by decree No. 480 of March 2, 1943, published in the Journal Officiel of March 17.

Acetic Acid Permitted in Condiments and Sauces Temporarily.—Exceptionally and until 6 months after the legal cessation of hostilities, the French Government is to permit the use, in the preparation of condiments, seasonings, and sauces, of purified acetic acid, not containing any substance harmful to man or animal and conforming to the standards of purity set by the French Pharmacopoeia—by an order of March 2, 1943, published in the Journal Officiel of March 17.

Brazil's New Transport "Clearing House"

A clearing house for several transport companies has been inaugurated in Brazil to facilitate door-to-door transportation between Rio de Janeiro and certain other cities. This is a complete connection by mutual traffic of several rail and road transportation systems and makes for quick despatch of packages and merchandise with no interference in service. Freight is paid at points of origin or prepaid at destination, and delivery is fully guaranteed.

It is possible that this service may be extended to still other cities.

French North Africa

Wartime Commodity Controls

Wheat and Barley: Official Prices Fixed in Algeria for 1943 Crop.—The prices of Algerian wheat and barley of the 1943 crop have been fixed by the Governor General of Algeria, as authorized by the order of May 29, 1943, says a press release appearing in the local (Algerian) newspapers of June 29, 1943.

The net prices per 100 kilograms delivered to an authorized granary of the National Cereals Office are fixed at 365 francs for soft wheat, 380 francs for hard wheat, and 251.50 francs for barley.

Gross prices for wheat are fixed at 10 francs higher, the difference representing the grower's contribution to the Cereals Office.

The market for oats, rye, and other secondary cereals is unrestricted.

Gold Coast

Tariffs and Trade Controls

Import of United States Matches Permitted.—Holders in the Gold Coast of import licenses which cover the importation of matches from India may now use the same licenses for supplies of that commodity from the United States, according to the Gold Coast Gazette of June 12.

India

Economic Conditions

INDUSTRIAL AND BUSINESS ACTIVITY

Indian production and trade made definite gains in February, fell off again in March, and recovered a fraction of a point in April, according to indexes published by "Capital," Indian financial journal.

The collective index, based on the 1935 average, advanced in 1943 from 105.7 in January to 110.2 in February, declined to 108.2 in March, and rose slightly to 108.9 in April.

Cotton consumption, which had reached a record high index number of 172 in December 1942, fell for the second straight month to 162.6 in February 1943, but regained its position with another record of 174.8 in March, and an even better mark of 177.1 in April.

Jute manufacture, which had fallen off in January, rose to its former position in February, advanced 21 points in March, and another 13 points in April.

The steel industries, which had made gains in January, fell off in both February and March, but returned to exactly the same index in April which they had held in December 1942. Paper production followed the same pattern, but by April had gone beyond its December listing by 1 point.

Coal production increased by 10 points in February; another 3 points in March, but fell off 8 points—to 110—in April.

Rail and river-borne trade, check clearances, and notes in circulation followed the same pattern of increases in February and March and declines in April. None, however, fell below January levels.

Kenya and Uganda

Economic Conditions

EXCISE REVENUE INCREASES

The excise revenue of Kenya for 1942 totaled £343,000, an increase of 90 per-

cent over 1941 receipts, according to a report of the Commissioner of Customs at Mombasa, appearing in the Gazette of March 16.

Excise revenue of the Uganda Protectorate totaled £178,000 in 1942, or a 13-percent increase over the preceding year's receipts. Excise duties are charged on beer, sugar, tea, and tobacco.

EMPLOYMENT OF NATIVES INCREASES

According to statistics of the Labor Department of Kenya Colony, published in the Official Gazette of April 13, there were more than 239,000 native males in civil employment as of March 31, representing 42 percent of the 574,000 able-bodied males between 15 and 40 years of age. On June 30, 1942, nearly 231,000 males were in civil employment. The estimated tribal population on that date numbered 3,427,000.

Wartime Commodity Controls

Wheat Products Placed Under Control.—A permit from the Director of Produce Disposal is now required in connection with the sale of wheat flour in Kenya, unless the flour conforms to the grades of an order published in the Official Gazette of March 9. The order grades flour as patent flour, straight-run flour, standard flour, and sooji. Returns are to be made by holders of flour stocks other than the above grades as of March 7. Such stocks may be sold only by order of the Commodity Distribution Board.

Nicaragua

Tariffs and Trade Controls

Mosquito Nets and Certain Cotton Cloth and Metallic Screening Placed on Duty-Free List.—Mosquito nets and certain cotton cloth and metallic screening have been placed on the duty-free list, by Nicaraguan decree No. 243, published and effective June 24, 1943.

The specific products accorded duty-free entry are mosquito nets of knit cotton mesh or cotton cloth, containing not more than 6 hexagonal openings in 6 square millimeters; thin cotton cloth, containing not more than 24 threads in 6 square millimeters; and metallic cloth of iron, containing not more than 50 threads or wires in 9 square centimeters.

The decree also provides for the Price Control Board to fix the selling prices of these articles during the present economic emergency.

Nigeria

Economic Conditions

NIGERIAN TRADE INCREASES IN 1942

As published in British sources, the value of 1942 imports (£10,400,000) showed an increase of £3,900,000 over the 1941 value, £3,600,000 of which was in the import customs class, "articles wholly or mainly manufactured."

Exports for 1942 increased over those for 1941 by £1,600,000, to £9,000,000, most of which increase was in "raw materials."

Northern Rhodesia

Wartime Commodity Controls

Secondary Batteries Added to Controlled Commodities.—By an order of the Director of Civil Supplies published in the Government Gazette of May 21, all dealers in secondary batteries must make returns of the number and types of batteries in stock and must report receipt of new stock. Permits from the Director of Civil Supplies are now required for trade in secondary batteries.

New Committee to Advise on Bulk Orders.—The Governor of Northern Rhodesia has appointed a Bulk Order Advisory Committee, according to a notice in the Government Gazette of May 28, to arrange for the estimating and programming of goods to be ordered in bulk on Government account, and to undertake certain other functions in connection with the purchase, storage, and distribution of such bulk orders.

Nyasaland

Wartime Commodity Controls

Production and Supply Council Appointed.—The Government of Nyasaland established a Production and Supply Council in February 1943, under the chairmanship of the Financial Secretary. The new Council, which replaces the former Supply Board, is composed of the controllers of essential supplies and prices, of shipping, rail and lake transport, of road transport, of production and food, and of imports and exports.

New Economic Decrees To Hold Belgians in Line

A series of decrees have been issued by the Nazis in an effort to mobilize the Belgians for work in Germany and to stabilize Belgian economy. Example: A decree issued some weeks ago was an attempt to assure the continuation of wood supplies. Each wood dealer is required to furnish the Nazi administration with a certain quantity of wood, for which a premium of 50 francs is promised for each cubic meter turned in.

Upon those dealers who do *not* furnish their full quota, however, a fine is to be levied of 1,999 francs for each cubic meter of wood missing. For those who fall seriously under their quota, higher fines, prison or forced labor, and occasionally even severer punishment is threatened.

Nyasaland has been requested by the Colonial Office to submit an import program in order to obtain allocations of various commodities now in short supply. All importers have received questionnaires. Regular trading in certain commodities has ceased, and these are now obtained through bulk orders placed by the supply control office for distribution through the trade. Such bulk purchasing has been applied to semi-manufactured iron and steel, hoop and baling iron, bearings, machine and hand tools, motor vehicles and spare parts.

Import programs are in course of submission to the United States and have been submitted to the Union of South Africa. Supplies are also being obtained from Southern Rhodesia. Joint Anglo-American planning will result in the United States becoming the only supplier of certain commodities, while others will be obtainable solely from the United Kingdom. Importers lacking United States trade connections have been advised to arrange such contacts immediately.

Individual orders for supplies essential to the primary industries of tobacco and tea production are to be first submitted to the Nyasaland Tobacco Association, the Nyasaland Tobacco Exporters Association, or the Nyasaland Tea Association, and, upon approval, will be presented, on behalf of the whole industry, to the Controller.

Southern Rhodesia

Tariffs and Trade Controls

Duties on Bicycles Suspended.—Eighty percent of the 100 percent ad valorem customs duty levied on bicycles, tricycles, motorcycles, spare parts, and accessories has been suspended, according to a notice in the Government Gazette of May 21.

Foreign Commerce Statistical Decision

(F. C. S. D. 43)

NOTICE TO COLLECTORS OF CUSTOMS, EXPORTERS AND OTHERS CONCERNED

Export Declarations—Sea Stores, Ships' Stores, Vessel Supplies, and Vessel Equipment

DEPARTMENT OF COMMERCE,
BUREAU OF THE CENSUS,
Washington, D. C.

Effective immediately Shipper's Export Declarations (Commerce Form 7525–V) and Defense Aid (Lend-Lease) Shipper's Export Declarations (Commerce Form 7525–DA–V) will not be required for shipments of sea stores, ships' stores, vessel supplies, and vessel equipment of the departing vessel. This decision applies to vessels sailing under both United States and foreign flags.

J. C. CAPT, *Director.*

AUGUST 13, 1943.

546092—43——3

News by COMMODITIES

Chemicals

Salt Shortage in Brazil

The government of the State of Sao Paulo is taking steps to meet a serious shortage of salt in that State, the foreign press reports.

Salt will be imported from Argentina, its production by evaporation will begin at Santos, and larger supplies are to be obtained from the salt pans at Cabo Frio in the State of Rio de Janeiro. In this connection, the National Salt Institute has agreed to remove the provision restricting salt production in Rio de Janeiro to the period between September and April and has requested salt producers to step up their output to a maximum.

Production, Szechwan Province, China

Alcohol production in Szechwan Province, China, totaled almost 5,000,000 gallons in 1941—3,248,000 gallons were produced in private factories and 1,712,000 in publicly owned plants.

The output in 1940 amounted to 4,397,472 gallons, of which 3,308,195 gallons were manufactured by private plants.

Salt production in Szechwan Province in 1941 is reported at 5,403,000 piculs (1 picul=133⅓ pounds), a considerable increase over the 4,847,610 piculs reported for 1940.

German Salt Federation Assumes Control

All organizations in Germany concerned with the salt industry were scheduled to be dissolved by the end of July and their powers taken over by the German Salt Federation, the European press reports.

A special department will be established for the sale of both rock and brine salt, and the Federation will supervise sales and distribution, fix prices, handle transportation problems and publicity, and make arrangements with other countries. The new organization will also encourage research and aid in increasing production.

Growing Pyrethrum in Portugal

Efforts are being made to stimulate interest in the growing of pyrethrum in Portugal.

Plantings have been made near Elvas, in central Portugal, and the local press is urging farmers to investigate the plant's valuable qualities as an insecticide for agricultural and household use and as a mosquito repellant.

New Chemical Plant To Be Erected in Portugal

Sociedade Argicola e Industrial de Productos Químicos has received permission to establish a factory in Portugal for the production of sodium sulfite, sodium bisulfite, sodium hyposulfite, calcium bisulfite, and potassium metabisulfite.

The proposed plant will be located on the Tagus River, between Lisbon and Santarem, and, under the terms of the concession granted by the Government, it must be in operation before October 1, 1944.

Although the entire personnel is required to be Portuguese, special provisions have been made to permit the employment of foreign technicians during the period of installation.

Production of Arsenic and Cattle Dip, Southern Rhodesia

A plant recently established near Salisbury, Southern Rhodesia, for the production of arsenic and the manufacture of cattle dip, has a monthly output of 115 tons of refined arsenic and 15,000 gallons of solution, the African press reports.

Arsenic was formerly imported from the United States, Australia, and Sweden, but the supply situation has been seriously threatened by shipping difficulties. The new industry, it is stated, will be able to meet the demands of southern Africa.

Wood-Tar Manufactured in Sweden

To meet the heavy demand for tar lubricants, the production of wood tar in Sweden has been increased notably.

Wood-tar manufacture was a declining industry preceding the war, and the present increased output has resulted from the lack of lubricants and the inaccessibility of producers in other countries. As was the case during World War I, Swedish manufacturers have turned to tar to obtain the lubricants needed by industry and transportation.

Skogsagarnas Olje A. B. (Forest Owners Oil Co., Inc.), an organization formed by 160 producers to meet the present emergency and now operating under a Government guaranty, is producing about 20,000 tons of tar annually. It is expected that this figure will be increased to about 25,000 tons, or approximately 50 percent of the Swedish total, when present plant expansion has been completed.

Swedish tar producers are now studying the problem of keeping their plants in production after the war and of finding a market for their products. After World War I, when the demand for tar lubricants ceased abruptly, plants which had expanded were dismantled, sold as scrap, or abandoned, and manufacturers are attempting to prevent a similar occurrence after the present war.

The establishment of a chemical industry based on wood tar, along the lines of the coal-tar industry in Germany, seems to offer the best solution. As a chemical raw material, wood tar does not possess the same qualities as coal tar, but it is expected that research will find new ways of using it. Skogsagarnas Olje A. B. has requested aid from the chemical industry and from other sources in solving the problem.

Chemical Developments in U. K.

A subsidiary of the British company Berger & Sons has been established as "Berger Plastics Developments," the English press reports.

This organization will serve as the central agency in the Berger group for matters relating to plastics. It will be concerned with new materials for the pro-

Farm Machinery and Equipment for Export

Revision of production quotas of farm machinery and equipment for export to Canada was announced several days ago by the War Production Board. Action was taken in an amendment to Limitation Order L–257–a.

The new quantities and descriptions specified in revised Schedule X–10 (Canada) better suit the requirements of the Canadian farmer, and at the same time will result in a saving of 1,076 tons of raw materials.

Order L–257–a itself is amended to make clear that machinery and equipment produced for Canada under this order may be carried over and shipped after the expiration date of the production period (July 1, 1943, to June 30, 1944). This change was made to give Canadian farmers the same treatment accorded American farmers by domestic distribution procedures under Order L–257.

Production schedules for other foreign countries are somewhat different, in that goods produced during the production period must be shipped by the end of the period (June 30, 1944) unless covered by a Lend-Lease order or an export permit.

Production of farm machinery and equipment for the United Kingdom (Schedule X–3) has been increased from 69 to 87 percent, providing particularly for additional spare parts, by the amended order. No increase in the use of materials will result, however, since the 18 percent increase was taken from a reserve set up for the United Kingdom by the original order L–257–a.

duction of plastics and with the general development of the field.

The company has already used plastics in resinous sirup form in the manufacture of paints.

A new synthetic insecticide has been developed in the United Kingdom's laboratories, which, it is claimed, is more effective for some purposes than derris, say British trade reports.

The substance, a fine, gray powder, apparently acts partly as a fumigant and partly as a stomach poison and is said to kill in about half an hour every pest that it encounters. Its formula is being kept secret for the present.

U. K.'s Fertilizer Situation

Substantial quantities of phosphate rock have been shipped to the United Kingdom from North Africa, a British chemical publication reports.

Superphosphate plants are expected to remain in full production, but restrictions on the use of these fertilizers will not be relaxed, it is stated.

Coal and Coke

Production in Canada

Coal production in Canada in the first 5 months of 1943, officially reported at 7,448,523 tons, shows a 6.9 percent drop from the 8,003,260 tons produced in the comparable period of 1942.

Coke output dropped 4.5 percent to 1,302,810 short tons for the first 5 months of 1943, compared with 1,363,835 tons in the first 5 months of 1942.

Construction

Brazil to Build New Railway Bridge

A railway bridge is to be constructed across the River Aldeia, in Brazil, at an approximate cost of 243,000 cruzeiros, to be paid by the Brazilian Government, states a British technical publication.

Chile's Public-Works Program

To develop a general program of public works, the Chilean Congress has provided that 50 percent of the proceeds of the special tax now in effect on copper exports be earmarked for distribution as follows: 35 percent for irrigation projects; 25 percent for railway improvements; 20 percent for the development and improvement of port facilities; and 20 percent for other public works.

Because of lack of sufficient rainfall in the rich agricultural areas of the north-central part of the central zone of Chile, considerable money has been spent on irrigation projects there.

At present 114,000,000 Chilean paper pesos are being spent on the old irrigation systems and the construction of new water facilities. The program for water facilities, now in operation, extends over sections from Ovale in middle Chile to the Kaule River in south-central Chile, and will bring about 60,000 additional hectares of land under irrigation. The largest of the seven projects is in the Bio-Bio River Valley region.

"Foreign Silver": New Rules by War Production Board

Increasing need of silver in essential war industries has caused the War Production Board to require inventory reports from some 1,400 manufacturers whose stocks of the metal have been rendered idle by WPB restrictions on use.

The report forms, mailed recently, call for a listing of all idle foreign silver of .999 fineness, in the form of bars, grain, or clean scrap.

Included in the term "foreign silver" are silver and scrap resulting from the processing of silver which (1) was imported from mines outside of the United States and its possessions; (2) was produced from mines in the United States and its possessions on or before July 1, 1939, also (3) scrap resulting from the processing of silver taken from these mines since July 1, 1939, if it is no longer owned by the person whose processing operations produced it.

On the basis of information provided by these reports, the War Production Board will use its facilities to move inactive holdings of foreign silver into permitted uses. Owners will be asked to sell their idle inventories to authorized purchasers. In sales to a supplier, the price to be paid will be negotiated by buyer and seller, subject to the OPA ceiling of 45 cents an ounce.

Of importance to those manufacturers holding frozen foreign-silver stocks, but who do not require domestic or Treasury silver in their present operations, is the principle of "fungibility of silver" as described in Conservation Order M–199 amended July 29, 1943. Sales of such foreign silver, and matching purchases of domestic or Treasury silver to replace it, need not be made by physical deliveries of the metal but may be made through suppliers by means of simple book transactions not requiring physical delivery of the metal sold or purchased. This, it is expected, will effect considerable economy in labor and shipping costs.

In the letter accompanying the report forms, WPB points out that, under Priorities Regulation No. 13, owners of foreign silver not regularly engaged in the business of selling it are permitted to make special sales of the metal to producers, reprocessors, and dealers, without preference ratings.

Most critical uses of silver in war industry are in aircraft engine bearings, photographic chemicals, brazing alloys, solders, and electrical contacts.

Decreased Building Activity in Costa Rica

Because of difficulty in obtaining iron, steel, cement, and other building materials from abroad, building has fallen off considerably in Costa Rica.

Building Operations Continue in Mexico

Through the utilization of locally burned bricks, adobe, and cement, with an occasional shipment of reinforcing material, hardware, and plumbing supplies, builders in Mexico were able, in April, to continue operations.

At Nuevo Laredo, work on the Federal Public Works Department has gone forward, as well as construction of the addition to the Customhouse and the Border Building. This greater activity in public construction has been stimulated by the currently heavy customs collections, 101,300 pesos of which has been set aside for use on local public works.

The slaughterhouse built at Ciudad Juarez recently, at a cost of 400,000 pesos, is now in operation. This abattoir is a boon to small cattle raisers in the area who do not raise sufficient cattle to make it profitable to ship them to the United States.

Public works in and around Coatzacoalcos include the construction of the Ferrocarril del Sudeste, dry dock and breakwater repairs, and the cement plant at Lagunas.

Increased Building Activity in Panama

Construction activity in Panama in July was given impetus by the inauguration of numerous public works, including an irrigation system in Los Santos; an electric plant at El Egido; a modern slaughterhouse in Chitre; a prison farm at Santa Maria; police quarters, jail and permanent offices in Las Tablas; paving of the main street of Las Tablas; and the erection of various buildings at the Agricultural Station at Divisa.

Repair work on nine rural schools was completed.

Approval was given for the purchase of a site by the Government at an approximate cost of $200,000 for the construction of a School of Arts and Crafts in a section of the capital known as "El Rolleno de Barraza." Other public-works projects approved during July include the reconstruction of the aqueduct which provides water for Taboga Island, a building and equipment for a prison workshop at David, and the repaving of the streets of Vista Hermosa, La Carrasquilla, Juan Diaz, and San Francisco de La Caleta.

Projects under consideration include an enlarged water system for Aguadulce, repairs for the fire-engine house at San Jose, and a separate building for the Vocational School at David.

Work on the new police station and jail at Colon is making satisfactory progress.

Building permits issued in Panama City during June called for work estimated to cost $263,050, compared with $236,000 in June 1942 and $121,820 in May 1943. New construction accounted for $199,000; additions totaled $59,250; and repairs amounted $4,800.

Construction proposed consisted of a Social Club for Aguadulce to cost approximately $25,000, and an addition to

the Compañía Panamena de Aceites, S. A., at a cost of $40,000. This latter building is a soap factory which is expected to produce all types of soap required for the use of Panama.

Electrical Machinery and Equipment

Power Resources, Province of Szechwan, China

The hydroelectric-power resources of the Province of Szechwan, China, have hardly been tapped. Potential power has been estimated at nearly 9,000,000 kilowatts, whereas only 800 kilowatts were installed in 1942. Present plans call for the construction of plants capable of producing 140,000 kilowatts.

Electric-power capacity excluding hydroelectric, in 1942 was 18,000 kilowatts.

Electric-Power Consumption, Union of South Africa

The 1942 Report of the Electricity Supply Commission—a Government corporation which is intended to operate without profit or loss, so far as possible—shows that a total of 4,474,649,000 kilowatt-hours were consumed in 1942. This is more than 100,000,000 kilowatt-hours above the 1941 output, though the percentage of increase is only 1.6. In 1939 the percentage increase was 19.7 above the preceding year. This is explained by the curtailment of street lighting, blackouts, and the scarcity of electrical appliances.

The Electricity Supply Commission's largest customer is the mining industry which, last year, consumed 74.3 percent of the total output. An agreement has recently been made by the various units supplying electricity to the Witwatersrand to standardize the frequency of distributed electricity at 50 cycles per second, with the result that there is now an interconnection of 10 generating stations comprising the electric power system of the Rand. Formerly, current was supplied at 51.5 cycles.

The above development brings the most important mining and industrial area of South Africa in line with power-supply undertakings in Great Britain, Australia, and New Zealand.

Essential Oils

Production in Mexico

No menthol, citronella, or peppermint is now commercially produced in Mexico. Experiments are being conducted, however, to extract menthol from a type of oil found in certain native plants. Final conclusions as to whether the yield and process have possibilities as a menthol source are expected to be available by December, after samples of the product have been submitted for analysis.

Since the general opinion is that Java and other East Indian Islands may be too strong as competitors in post-war years, it is not thought worth while to develop the production of citronella and lemongrass oils, although a few plots do exist, usually in localities where there are no distillation plants.

As for peppermint, some United States citizens have assisted in the cultivation of Japanese plants in 11 areas in Mexico, and in additional tracts in Guatemala. Favored by climate and other natural factors, these nuclear beds have done well, and it is now estimated that there are more than 30,000 plants growing in Mexico.

Japan, cultivating 35,000 acres for menthol, has been the best-known producer of that crop. Much of its production was marketed in the United States, which normally paid from $3,500,000 to $7,000,000 annually for it. In addition, Haiti, some Central American countries, and Florida in the United States, produce all these various oils.

During the last 2 years, the United States has been about the the sole source of Mexico's supply of menthol, citronella, and peppermint. Since 1936, at least, the United States has exported to Mexico more than 75 percent of that country's total purchases of citronella, followed by Germany, Belgium, the Netherlands, and Italy, in that order. Six years ago Belgium ceased to export any citronella, and after 1939—the year in which Germany sent 9.4 percent and Italy 8.8 percent of the total quantity received—both countries stopped exporting the oil to Mexico. Possibly as a result, United States importations increased 6.5 percent between 1939 and 1940.

In Mexico, citronella oil is often used as a substitute for lemon-grass oil in insect repellents; menthol, in prepared medicinal products and cosmetics; and peppermint oil, in medicinal products and as confectionery and ice-cream flavoring.

It is believed that there is room for future expansion of mint production in Mexico to a point where it could serve as a source of cash income.

Canada's Experience With "Russian Dandelions"

Experiments have been conducted in Canada with kok-saghz, or "Russian dandelion," as a source of rubber. Although the rubber produced from this plant compares favorably with Malayan rubber, production costs at present in Canada are largely prohibitive.

It has been found that the growing of kok-saghz involves considerable labor and mechanical difficulties. The rubber in the plant is in the roots, which sometimes extend 15 to 20 inches into the soil. Some sort of modified potato digger would have to be perfected to harvest this plant.

Gathering of the seeds presents another problem, since the seeds do not all ripen at the same time, and a constant vigil would have to be kept over the fields during the period of flowering—which usually continues for about 6 weeks.

Foodstuffs and Allied Products

Fish and Products

Salmon Pack, British Columbia, Canada

As of July 31, this season's salmon pack in British Columbia, Canada, amounted to 211,272 cases, compared with a pack of 302,567 cases on that date last year, and 256,539 cases for the corresponding period of 1939, states the Chief Supervisor of Fisheries in Vancouver.

The catch of salmon, by species, up to July 31, 1943, is shown in the following table, with comparative figures for 1939 and 1942:

[In 48-pound cases]

Species	1939	1942	1943
Sockeye	152,816	178,393½	112,236
Spring	8,141	8,819½	3,787
Steelheads	355	1,098½	623
Bluebacks	30,862	19,161	12,184
Coho	22,357	31,395	30,944
Pinks	36,930	53,667	42,198
Chums	5,078	10,032½	9,300
Total	256,539	302,567	211,272

Fishermen report heavy runs of pinks, with individual seiners catching up to 25,000 fish a day in the Bella Coola district. The catch of this species, which returns to the spawning grounds after 2 years, is expected to exceed the pack of 427,765 cases in 1941.

1942 Fish Catch in Estonia

While fishing activities in Estonia are reported by the Axis press as satisfactory, the total catch of 8,600 metric tons in 1942 was below pre-war figures, the fishermen having been hampered by poor equipment and unfavorable weather. In addition, two types of fish formerly abundant in Estonian waters, the "killo" and the small herring, are said to have entirely disappeared.

About 3,000 tons of fish were preserved in Estonia in 1942 compared with 1,200 tons in 1939. However, since practically all of the preserved fish is shipped to the armed forces, the increase represented a loss of fish for home consumption.

Codfish Production, Newfoundland and Labrador

It now appears that total 1943 production for export of Newfoundland and Labrador codfish may not exceed that of 1942, which was 730,000 quintals of 112 pounds dried weight. The average annual production for some years has been about 1,250,000 quintals. While some expansion of facilities for the freezing of cod is taking place, more than 90 percent of the total catch is still salted.

Activity in the Newfoundland codfishery was retarded in June by the presence of large quantities of ice along the coast, and operations of fisheries working from the shore, which account for the major portion of each season's catch, were much impeded.

The following table shows exports of the various grades of Newfoundland and Labrador salted codfish during June 1943, as compared with the corresponding month in 1942 and cumulative exports in the period July 1, 1942 to June 30, 1943, and for the corresponding period of 1941–42:

Item	June 1942	June 1943	July 1, 1941, to June 30, 1942	July 1, 1942, to June 30, 1943
	Pounds	*Pounds*	*Pounds*	*Pounds*
Bank and shore fish	1,998,080	945,840	67,986,800	59,091,760
Labrador fish	433,775	238,784	23,793,056	20,920,592
Saltbulk	63,504	405,440	9,003,232	14,340,592
Total	2,495,360	1,590,064	100,783,088	94,352,944

Tunny-Fish Catch, Portugal

During the second week of July schools of tunny appeared in great numbers off the south coast of Portugal where the tunny-fishing industry is centered. It is reported that in 2 days 6,000 fish were caught, some of them so large that one fish was all a small boat would hold. This catch is said to have caused a 70-percent drop in the price of tunny.

Although press reports complained that the shortage of olive oil would prevent canners from utilizing much of this catch, the trade was of the opinion that the overflow would be salted for a brief period and subsequently packed as oil became available.

Although there apparently were sufficient quantities of olive oil in which to preserve the entire catch, certain amounts are required for canning regular catches of sardines and other fish, and the industry was unwilling to divert all of its reserve to the preservation of this unusually large amount of tunny.

Fruits and Nuts

Spain's Almond and Filbert Crops

The 1943 Spanish almond crop which will be harvested in September and October is now estimated at from 25,000 to 30,000 metric tons of shelled almonds, or just slightly under normal production. The quality of this year's crop is said to be inferior to that of last year, however, as a result of insufficient rainfall.

Reliable trade sources estimate that the total shelled-almond stocks in Spain are now between 30,000 and 40,000 tons.

In 1942 only 989,711 pounds of almonds were exported from Spain, and, as the export of sweet almonds was prohibited during the entire year, it is believed that reported exports consisted of bitter almonds.

The export ban on sweet almonds—which had been in force for nearly 2 years—was abolished by a decree issued by the Department of Commerce and Industry on July 12, 1943, in an effort to relieve the market of the stocks accumulated from previous harvests.

Health Work Tied in With Haiti's Sisal Program

Maralia control and improvement in housing and sanitation facilities have been undertaken at one of Haiti's biggest sisal plantations as part of the inter-American health and sanitation program in that country.

The work is the result of a cooperative arrangement, approved by Haitian authorities, between La Plantation Dauphin and the Institute of Inter-American Affairs, Washington, which is collaborating with other American republics in health and sanitation activities to support strategic defenses and production.

Work at the 14,000-acre sisal plantation includes environmental sanitation facilities at the village of Paulette and drainage to eliminate mosquito-breeding places.

Sisal now is Haiti's chief contribution, in the way of strategic materials, to United Nations war industry. Production of sisal is being increased substantially to help offset the loss of fiber supplies in the Far East. Meanwhile, large-scale production of rubber is projected, mainly by the Haitian-American Agricultural Development Corporation.

It is estimated that 5,000 people, chiefly the sisal workers and their families, will benefit from the La Plantation Dauphin health project.

Prior to issuance of the decree, prices had declined to about one-half of the 1941 average. To stabilize the market, minimum prices have been established for various grades of shelled almonds, ranging from 9.25 to 10.75 pesetas per kilogram. If transactions are made at prices exceeding these levels, but not exceeding 2 pesetas per kilogram, 50 percent of the premium is to be refunded to growers. If more than 2 pesetas over the minimum is obtained, a refund of 75 percent of the excess is to be made to the growers. This curb on profits has had the effect of retarding the recovery of prices.

Because of the drought which prevailed during the growing season, the yield of the filbert crop is now estimated at about 6,000 metric tons shelled, compared with 9,000 a year ago.

During 1942, 221,562 pounds of filberts in the shell and 10,582 pounds of shelled filberts were exported to Spanish possessions. Present stocks of shelled filberts are estimated at 9,000 tons.

In the decree issued by the Spanish Ministry, a minimum price of 8.75 pesetas per kilogram has been fixed for shelled filberts, with the same proviso for refunds to the growers as for almonds.

Estimated Raisin and Fig Crops, Turkey

It appears that Turkey's 1943 crops of raisins and figs will exceed those of 1942 by appreciable amounts.

The 1943 Turkish raisin crop is estimated at from 65,000 to 75,000 metric tons compared with an estimated 50,000 tons in 1942. The fig crop is estimated at 40,000 to 45,000 tons in 1943, compared with an estimated 18,000 tons in 1942.

Grain and Products

Canadian Flour Production in June

Canadian mills produced 1,855,461 barrels of flour in June 1943, compared with 1,335,177 barrels in the corresponding month of 1942, according to preliminary figures compiled by the Dominion Bureau of Statistics. Although the June output of flour was much higher than during the corresponding month last year, it was below that of any 1 month since October 1942.

Production of wheat flour in Canada for the 11 months of the 1942–43 crop year totaled 21,604,584 barrels.

Flour-Production Increase, Szechwan Province, China

The Province of Szechwan, now the industrial center of Free China, is evidently succeeding in its effort to increase grain and flour production; production showed a 50-percent increase in 1942.

The Szechwan Provincial government's program for 1943 provides for the cultivation of 43,074 acres of wasteland, estimated to produce an additional 14,500,000 bushels of grain.

Portugal Faces Grain Shortage

Official reports obtained from the wheat-producing areas of Portugal indicate that all previous estimates for the 1943 crop must be drastically curtailed. Instead of 300,000 metric tons—as at first estimated—it is now believed that total production in continental Portugal will not exceed 225,000 tons and may be as low as 190,000 tons.

Portugal is faced with a serious shortage of wheat, rye, corn, and potatoes, as crops of these staple foods are among the lowest of the past 10 years. The drought which commenced in April affected crops throughout Portugal and continued without relief until the first part of July, when violent storms were reported in many agricultural areas. The torrential rains, falling on hardened ground, failed to bring relief to the parched crops.

On July 7, the Ministry of Economy informed the public that potatoes should be raised wherever possible to supplement curtailed supplies of wheat.

Portugal's annual wheat requirements are 575,000 tons for general public consumption; therefore 350,000 tons may have to be imported. Imports of wheat exceeding 100,000 or 150,000 tons will place a severe strain on Portuguese merchant shipping.

Estimated Cereal Production, Syria and Lebanon

The 1943 cereal production of Syria and the Lebanon is unofficially estimated at 650,000 metric tons of wheat and 250,000 tons of barley—an increase of about 30 percent over last year's production. If the above amounts are produced it

New Restrictions on Use of Kapok (One of Our "Lost Imports")

The diminishing supply of kapok—normally secured from the Netherlands Indies—has resulted in the War Production Board's restricting its use to four military items: life vests, life jackets and collars, life-saving cushions, and insulation padding for aircraft.

Eliminated from the previous list of permitted uses are life buoys, sleeping bags, mattresses, pillows, blankets and pontoon bridges, all for the armed forces.

It is expected that cork can be used as a substitute in life buoys, while substitute fibers—such as wool waste and Spanish moss—can be used in the other products.

The order (M–85, as amended) also—

Permits use of kapok in other products if authorized on Form WPB 1076.

Permits sale of kapok to manufacturers if allocated by WPB on Form 2562.

Replaces the previous A–2 rating with an AA–5 rating for orders placed by the Office of Economic Warfare, the Defense Supplies Corporation, or any other RFC corporation.

Kapok is a silky fiber from the seed pod of the Ceiba or Kapok tree grown principally in the Netherlands Indies.

is reported that they will be sufficient to meet the cereal requirements of the population for this year.

Meats and Products

Argentine Hog Industry

Large market receipts, steady prices, and greatly increased exports (compared with the same period of 1942) characterized the Argentine hog industry during the April–June period of 1943. Prices of feed were higher than a year ago, but were still sufficiently low to allow attractive profits at prevailing hog prices.

Prices of hogs have remained steady—at 41 to 42 centavos per kilogram live weight since January 1943. This steady market is in direct contrast with the abrupt and sharp rise of 12 centavos per kilogram experienced between January and May of 1942. The stability of this year's prices is considered an important factor in bringing about an increased production, despite higher feed prices.

Hog receipts at the frigoríficos and the municipal Liniers market in Argentina in the second quarter of 1943 were the highest for any 3-month period on record—780,700 hogs were received in April–June 1943 compared with 486,000 in the corresponding period of 1942.

Unofficial figures for the first 5 months of 1943 show that 1,174,110 hogs were slaughtered by the frigoríficos, the meat factories, and the Buenos Aires municipal slaughterhouse; 689,750 head were killed in the first 5 months of 1942.

Exports of leading pork products from Argentina on an actual tonnage basis for the second quarters of 1942 and 1943 were as follows:

[In metric tons]

Item	Second quarter, 1942	Second quarter, 1943
Pork:		
Chilled	1	0
Frozen	11,050	17,990
Salted	548	486
Pork products	1,250	3,504
Lard	3,697	7,867

Spices and Related Products

Vanilla-Bean Situation, Society Islands

Exports of vanilla beans from Tahiti, Society Islands, during the second quarter of 1943 amounted to 30,578 kilograms, compared with 30,500 kilograms in the corresponding quarter of 1942.

There was a marked drop in prices of vanilla beans on the Papeete market during the second quarter of 1943. This was due largely to the virtual disappearance of the export tax on vanilla beans during the quarter. A comparison of the average export prices of the three best grades of vanilla beans exported from Tahiti during the second quarters of 1942 and 1943 is shown in the following table:

[In francs per kilogram]

Month	White label		Yellow label		Green label	
	1942	1943	1942	1943	1942	1943
April	4.24	1.52	4.18	1.52	2.71	1.08
May	3.54	1.74	3.48	1.74	2.39	1.20
June	3.21	1.74	3.21	1.74	2.18	1.20

The war export tax on vanilla beans for the second quarter of 1943 was not fixed until the middle of April. It amounts to only 96 centimes per kilogram (about 1 cent, U. S. currency, per pound). During the two preceding quarters the export tax amounted to 86.10 and 9.70 francs per kilogram, respectively (about 90 cents and 10 cents per pound). However, the rate for the third quarter has been raised to 46.44 francs per kilogram (about 48 cents per pound).

The carry-over of vanilla beans from the last quarter is unofficially estimated at about 60 tons.

The trade estimates that the vanilla-bean harvest this year will be small, only about 80 or 90 tons, as a result of unfavorable weather conditions at the time of flowering.

Sugar and Products

Mexican Sugar Situation

Production of refined sugar in Mexico for the 1942–43 season is now estimated at 454,000 short tons, compared with 463,000 tons in 1941–42. This is much lower than the early forecast of 529,000 tons and a later prediction of 502,000 tons. Reduction of the early forecasts is due to such causes as heavy frosts, lack of transportation, and labor troubles.

The area devoted to sugarcane production in the 1943–44 season is expected to be equally as large as in the 1942–43 season, or 138,619 hectares (1 hectares= 2.471 acres). If normal yields are obtained, and if the crop can be harvested, the production in 1943–44 should be in excess of 496,000 tons.

According to trade estimates, about 23,000 tons of sugar may be exported from Mexico in 1943. This will be in the form of sirups. Originally it was expected that 44,000 tons would be exported in this form. By June 30, 1943, about 21,000 tons had already been exported.

It is doubtful whether any large amount of low-grade brown sugar ("piloncillo") will be exported in 1943, as difficulties have been encountered in obtaining the product in such quality standards as to meet the export requirements.

Domestic consumption of sugar for 1943 is now forecast at 480,000 tons. This would be an increase of about 47,000 tons over 1942 consumption. During the first 6 months of 1943 approximately 241,000 tons had been sold. It is believed that the larger part of the sugar considered for domestic consumption is being used in the manufacture of products for export such as candy, canned fruits, and vegetables. There is no accurate check on the amount of sugar exported in manufactured form, but it is believed, in view of larger exports, that the amount has increased.

As a result of decreased production and continued increases in domestic consumption, the carry-over at the end of 1943 is expected to be about 22,000 tons, or but one-third of the carry-over of about 66,000 tons last year.

Contrary to some opinion, there seems to be enough sugar in Mexico to supply the needs for the present year. However, it will be noted that production for 1942–43 is estimated at about 26,000 tons less than the forecast of domestic consumption in 1943. Supply and consumption of sugar in Mexico is likely to balance out very closely by the end of 1943, and the carry-over will probably be low.

Action has been taken by the Mexican Government to control the export of sugar in all forms. On May 17 an Executive decree was issued requiring export licenses issued by the Ministry of National Economy for the export of sirups of all kinds, candies and confectionery, preserved food products, and other nonfood products. By this means it is hoped that excessive exports of sugar in these indirect forms will be prevented.

Estimated Sugar Production, Turkey

Turkey's 1943 sugar-beet crop is reported to be good, and sugar production has been estimated at 80,000 metric tons. It is said that the current price of sugar in Turkey has resulted in lowering annual consumption to 60,000 tons, from 90,000 tons in normal times.

It is hoped that the new crop will not only be sufficient to obviate the necessity of importing sugar but will permit the creation of a stock of some 20,000 tons.

Vegetables and Products

Vegetable-Seed Production in British Columbia, Canada

In 1939, vegetable seed produced in British Columbia was valued at $72,130. In 1940, the value of such seed production increased to $153,608; in 1941, the value had increased to $456,255. Vegetable-seed production in 1942 was valued at $568,885. Further increases are expected this year, and some sources speak of a possible $2,000,000 production.

Vegetable seed has been produced in British Columbia in limited quantities for at least 30 years. During World War I and immediately thereafter there was a shortage of seed with consequent higher prices. This led to an increase in the acreage for the production of seeds in British Columbia, but maximum development was not attained until after the war, when Holland, Denmark, and Great Britain commenced to ship to this market in large quantities. As a consequence, prices declined to low levels and seed growers there were left with large unsold stocks.

As a result of this set-back, there was little expansion of seed production in the Province until 1938, when the British Columbia Seed Growers' Association was organized with the aim of selling a range of vegetable seeds in sealed registered or certified packets, through grocery stores. This Association, with the cooperation of growers, was responsible for the enactment by the British Columbia Legislative Assembly of an act entitled "Scheme to Control and Regulate the Transportation, Packing, Storing, and Marketing of Registered and Certified Garden, Vegetable, and Field-Root Seed Products in British Columbia."

The Provincial government, recognizing the climatic advantages of British Columbia for production of many varieties of vegetable-seed crops, accordingly adopted a policy of assistance to such growers with the result that, exclusive of peas and beans, British Columbia now produces more vegetable seeds than all other Canadian Provinces combined.

The number of "farmer growers" in British Columbia ranges from 400 to 600, and most of these, contrary to the practice in the United States, have small farms, although the trend is definitely veering toward concentrated production on larger farms. There is also a tendency among agricultural officials to zone the Province for seed planting to insure against cross-pollenization. Thus carrot, cabbage, and sugar-beet seed are grown extensively in the Fraser Valley, onion and leek seed in the Okanagan area, while Vancouver Island produces large quantities of clover and timothy seed. Approximately 60 percent of the vegetable seed produced in British Columbia is sent to Great Britain and the remainder sold in the domestic market.

Prior to the outbreak of war, the United Kingdom purchased flower seed from British Columbia, and such purchases had an annual value of approximately $25,000. These sales overseas have now declined to about $12,500 a year.

The production of field-crop seeds in British Columbia is now assuming added importance, the value of production having been increased from $127,656 in 1939 to $146,000 in 1941, the last year for which complete statistics are available.

Onion Production, Mexico

The production of onions in Mexico in 1943 is estimated at about 30,000 metric tons, compared with 25,000 tons in 1942. From 1929 to 1937, production varied from about 9,000 to 13,000 tons; for the 5-year period from 1938 to 1942, the average was 18,145 tons.

Onions are produced in nearly every State of Mexico. However, there are two large commercial areas, one in the State of Tamaulipas, north of the City of Tampico, and the other in the States of Jalisco, Michoacan, and Guanajuato, and concentrated mostly around the town of Ocotolan on the north side of Lake Chapala.

From 1935 to 1940, inclusive, importations of all types of onions into Mexico were larger than the exports. In 1941, exports exceeded imports by about 107 metric tons, while in 1942 imports exceeded exports by about 82 tons. During the first 4 months of 1943 about 4,612 metric tons were exported, and only 40 tons were imported. More would have been exported during the first quarter of 1943 if price and transportation difficulties had not been encountered.

Iron and Steel

Canada's 1943 Production

Canadian pig-iron production is officially reported at 719,900 net tons for the period January through May 1943. In the same period, 83,769 net tons of ferro-alloys and 1,259,652 net tons of steel ingots and castings were produced.

Production was higher in May than in April—pig iron rising from 150,486 net tons to 154,746 net tons; ferro-alloys from 15,500 to 17,971 net tons; and steel ingots and castings from 264,357 to 271,737 net tons.

New Blast Furnace, Monterrey, Mexico

Capacity of the Monterrey Iron & Steel Foundry, at Monterrey, Mexico, is increased 700 tons daily by the completion of a new blast furnace, bringing the potential output to 1,200 tons of pig iron daily. The new furnace was inaugurated on July 8 with appropriate ceremonies.

Steel-Ingot Capacity of Canadian Mill Increased

To provide increased steel-ingot capacity for the 110-inch plate mill of the Dominion Steel and Coal Corporation, Canada, contracts have been awarded for construction of an ore beneficiation plant and a 700-ton mixer plant, the Canadian trade press reports. Cost of the two new units is estimated at $2,000,000.

Without necessitating any addition to the battery of coke ovens now in use,

Increasing "Manila" Production in This Hemisphere

William L. Batt, Vice Chairman of the War Production Board and United States member of the Combined Raw Materials Board, has issued the following report on the progress of the program recommended by CRMB for increasing the production of manila fiber in the Western Hemisphere:

"The Combined Raw Materials Board 16 months ago recommended the planting of 20,000 acres of abaca in Central America. The work has progressed satisfactorily and is now nearing completion of its first stage—the clearing of the jungles and the actual planting.

"Up to July 3, 22,756 acres had been planted. Within the next 6 to 8 weeks further plantings will bring the total area under cultivation to 28,661 acres, distributed as follows: Panama, 6,461 acres; Costa Rica, 11,500 acres; Guatemala, 5,700 acres; Honduras, 5,000 acres.

"From the 2,000-odd acres in Panama, where the plants had reached maturity by the time the world's source of supply in the Philippines was lost, shipments of some 2,275,000 pounds of manila fiber and about 90,000 pounds of manila tow have been received in the past 18 months.

"By October of this year the new planting will begin to reach maturity, and thence forth production will increase continously until the annual yield will approximate 45,000,000 pounds, or 20,000 long tons. The entire 28,000 acres should be producing fiber by the end of next year. The quality of the fiber already produced from the Panama plantation compares favorably with that produced in the Philippines.

"Processing machinery and drying equipment has been purchased and, it is expected, will be installed in time to handle increased production as it comes along.

"The project is being carried out by the United Fruit Co. under contract to the Defense Plants Corporation. All concerned with the development merit the highest praise for carrying out a difficult project with remarkable speed and efficiency."

operation of the new units will add more than 60,000 tons to the steel-ingot capacity. Rated capacity will be brought to 780,000 net tons, an increase of more than 300,000 tons, or almost 70 percent above the pre-war level, it is stated.

Sweden's Imports and Exports

Imports of 93,000 metric tons of pig iron in 1942, registering a slight drop from the 96,193 metric tons imported in 1941, were only about one-third of the 278,474 metric tons imported in 1939.

While imports of 291,000 metric tons of malleable iron in 1942 showed a substantial increase over the 249,591 metric tons imported in 1941, the quantity imported in 1942 was still less than one-half the 601,377 metric tons imported in 1939.

Practically all of the pig iron and iron and steel came from Germany.

Exports of pig iron dropped in 1942 to 65,000 from the 90,942 metric tons exported in 1941 and 170,406 metric tons, in 1939. Malleable iron and steel exported in 1942 amounted to 143,000 metric tons, compared with 227,441 tons in 1941 and 205,981 tons in 1939.

Iron-ore exports were reported at 8,633,000 tons in 1942, 9,539,000 in 1941, and 13,650,000 in 1939.

Leather and Related Products

Leather and Manufactures

Use of Synthetic Products in Sweden

Synthetic-leather soles, based on nitrocellulose, present a problem, in that they are claimed to break easily and cannot stand low temperatures. At present the material is being used only for heels.

A product developed by the Nordiska Rubber Factory has been found to have wearing qualities approaching those of leather. It can be sewed, nailed, and otherwise worked in the same manner as leather. In the manufacture of this product scrap materials accumulated by cobblers can be used.

Hides and Skins

Argentina's Exports Decline

Shipments of hides and skins from Argentina during the first 6 months of 1943 showed a 2.8 percent decrease in volume, as compared with the first 6 months of 1942.

Production in Peru

Production of Peruvian hides and skins during the first 6 months of 1943 came to 90,000 cattle hides, 530,000 sheepskins, and 235,000 goatskins and kidskins.

Tanning Materials

Spain's Manufacture of Tanning Extracts

Wood of old chestnut trees, sawdust from young chestnut trees, barks from evergreen oak, cork, pine, and oak trees, and stumps of heather are to be used exclusively for making tanning extracts in Barcelona, Spain, according to a recent order of the Civil Governor of the Province.

Lumber and Products

Belgian Imports of Wood Products

Lumber importers in Belgium have been informed by the German "authorities" that 2,000,000 reichsmarks will be allowed for the purchase of wood goods from Finland, states L'Echo des Bois, a Belgian lumber journal.

Sales will be effected at prices fixed in the Finno-German agreement, it is stated.

Only 500,000 to 600,000 reichsmarks have been allotted for the purchase of Swedish wood goods.

Bulgarian Program of Reforestation

The development of the forests of Macedonia, including a program of reforestation, is one of the problems of the Bulgarian administration, state European press reports.

Forest areas in Macedonia amount to approximately 3,950,000 acres, a large part of which has been destroyed by cutting and grazing. However, some virgin forests remain, it is stated.

Production of Balsa Wood in Ceylon

Interest in cultivation of the balsa tree in Ceylon and in its commercial possibilities has increased considerably since the Department of Agriculture reported a continuing demand for the wood, states a press dispatch.

Balsa has been found growing on several estates; many landowners have begun to plant trees, and others have ordered seed from the Royal Botanical Gardens, Peradeniya.

An inquiry from a firm of aircraft manufacturers first called attention to the quality of Ceylon balsa. Samples were sent to the company in Australia, and all the wood available was ordered.

Timber Resources, Szechwan Province, China

Forest land in Szechwan Province, China, totals approximately 250,000 acres.

The chief timber area is found in the upper Min River region in the northwestern part of the Province. Important lumber centers are Kuanhsien, Lifan, Wenchuan, and Mowhsien, and the logs are rafted down river to the markets.

Finland's Plywood Production and Exports

Plywood production in Finland in 1942 was slightly below the 1941 figure.

Exports, however, remained unchanged at 82,000 cubic meters.

New Wallboard Factory to Operate in Finland

O/Y. Savo, affiliated with the Swedish Match Co., is erecting a wallboard factory as an addition to its plywood mill at Kuopio, a European trade journal reports.

The new factory is expected to start operations during the summer.

Newfoundland to Erect Wood-Treating Plant

A modern wood-treating plant will be established at Clarenville, Trinity Bay, Newfoundland, a foreign trade publication reports.

Support is being given to the enterprise by the Government and the Newfoundland Railway, and the creosoting of railway ties will be the principal work undertaken in the beginning. Local demand for creosoted woods is expected to keep the plant in continuous operation.

The cost of the factory is estimated at $250,000.

Paraguay's Lumber Industry Active

Activity in the Paraguayan lumber industry was maintained at normal levels in 1942.

There was a heavy demand from markets in Argentina and Uruguay for posts, sawn lumber, and railroad ties, and sales were limited, for the most part, only by the abiilty of Paraguayan producers to deliver.

Exports of firewood showed a marked increase, probably because of the shortage of other types of fuel.

Eucalyptus for Mining Timbers in Portugal

Steps have been taken in Portugal to insure sufficient supplies of eucalyptus for mining timbers.

Owners of groves in the north and south of Portugal may not cut more than 75 percent of their trees for conversion into charcoal, and in central Portugal only 25 percent of the eucalyptus wood may be used for charcoal.

The remainders of the trees may be cut for any purpose other than charcoal or firewood, with the approval of the Guild of Exporters of Wood. If the owners of eucalyptus groves do not complete, within a specified time, the marking of trees to be cut, foresters of the Guild will carry out this work.

Timber Production in U. K.

The output of home-grown timber in the United Kingdom has continued to increase, and excellent results are shown for April and May, a British trade magazine reports.

Sawn hardwood reached 132 percent of the production goal by the end of May and sawn softwood 110 percent, while for sawn mining timber the figure was 113 percent. Even in the case of round mining timber, 101 percent, the target figure was exceeded, a result not attained previously.

A slight decrease occurred in sawn softwood production in May; sawn hardwood, however, showed an increase. The output of mining timbers remained at an even level with April. Pitwood production is increasing, in comparison with softwood, and for sawn hardwoods is substantially greater than for softwoods, which indicates that the substitution of hardwoods for softwoods must not only be continued but increased, it is stated.

Production has greatly exceeded expectations—in tonnage the home-grown timber trade is supplying more than 75 percent of the total consumption, a record achievement.

Machinery, Other Than Electrical

Australia's Manufacture of Diesel Engines

The Minister of Navy and Munitions in Australia has announced that Government munition establishments are undertaking the production of small Diesel engines. This is reported by the foreign press to be a £1,000,000 project.

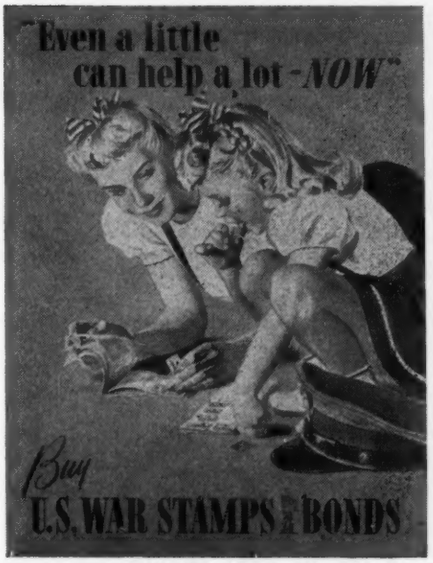
The manufacture of larger Diesel and other internal-combustion engines is also under consideration.

Medicinals and Crude Drugs

Peru's Pharmaceutical Industry

During the last 20 years the Peruvian pharmaceutical industry has made such rapid strides that 80 percent of all medicines used in the country can be supplied by Peru, itself, says a foreign commercial journal. This is true partly because the cessation of importations has made Peru more dependent upon domestic manufactures, and the increased sale of these domestic products is due, in turn, to attractive packaging and more complex medicaments.

Interest in the trade has reached a point where it was worth while to hold the first combined Peruvian Pharmaceutical Conference and Exhibition in Lima during the last 6 days of May. The Congress recommended establishment of a Peruvian Pharmacteutical Register, creation of a university pharmaceutical faculty, and the development of Peruvian raw medicinal materials.



Production of Aloes in Netherlands West Indies

The Netherlands West Indies produced approximately 1,000 cases of aloes during the 3 months ended June 30. At the end of that time there were no stocks on hand, and orders booked for the United States and the United Kingdom to be shipped later amounted to 300 cases more than those raised during the second quarter of 1943.

Now that the crop is approaching its zenith, estimates of accumulations for the months of July, August, and September are placed at 2,000 cases (1 case=125 pounds).

New Developments in Puerto Rico

Puerto Rico recently has adopted an efficient and all-inclusive method of combating influenza, says a published report. This development is considered highly important, in view of the fact that millions of persons died of influenza during and after World War I.

The plan provides for the distribution of 100,000 sulfadiazine tablets to all municipalities of the island. Medical authorities throughout the country have been contacted so that a comprehensive listing of all influenza cases registered or under treatment can be obtained; distribution of the tablets will be made through official doctors.

Naval Stores and Waxes

Shortage of Candles in Eire

A sharp decrease in imports of paraffin wax has resulted in a serious shortage of candles in Eire.

Wax for candle-making was formerly imported from the United Kingdom, Burma, and the United States. However, exports of paraffin from Great Britain are now prohibited, and shipments are no longer received from Burma. Supplies expected from the United States will be sufficient to produce only 30 percent of the normal consumption of candles, and all of these will not be available for domestic consumers, since a considerable number must be reserved for industrial use, such as in coal mines.

Mexico's Turpentine Exports

Turpentine exports to the United States from Mexico have been on the upgrade recently.

Owing to transportation difficulties, shipments formerly sent to other markets are being diverted to the United States.

U. K.'s Imports of Turpentine and Rosin

Shipments of turpentine and rosin to the United Kingdom have shown some improvement, a British trade journal states.

Supplies from the United States are being released to priority users at prices fixed by the Ministry of Supply, it is stated.

Nonferrous Metals

Production at Patiño Mines, Bolivia

Some publicity has been given to increased production of metals, estimated at 730 tons annually, expected to result from new installations at the Patiño Mines, Bolivia. The increased rate will not be noted in this year's production, however, as the proposed sink-and-float plant at Llallagua is not expected to be in actual operation before July 1944.

That the effect of the new plant will be outweighed by the lower-grade ores progressively being worked by the mines is an opinion expressed by competent engineers.

The labor supply for the mines is reported to be insufficient, and some concern has been felt over the possibility of the loss of labor to road construction under consideration in northern Bolivia.

Tin Deposits in Brazil

Current interest in tin production in Brazil appears to be in the nature of a "tin rush," resulting in the discovery and impending development of sporadic deposits which, it is hoped, may be of consequence in the future.

A number of mining concessions covering cassiterite and associated metal have been granted, and the fact that tin has been offered for sale in varying amounts by at least 25 persons indicates that some believe they have discovered cassiterite in amounts which will justify further development.

Canada's Gold and Silver Production

Gold and silver production in Canada in the first 4 months of 1943 is officially reported at 1,332,700 and 6,672,000 ounces, respectively. Output of both metals decreased in April—gold production dropping from 347,700 ounces in March to 323,100 in April, and silver from 1,771,000 ounces to 1,672,000 in the same period.

Chrome-Ore Deposit Found in Manitoba, Canada

A chrome-ore deposit found in the Bird River district of Manitoba, Canada, is

sufficiently extensive, says the foreign press, to furnish two plants with a daily capacity of 1,000 tons of ore.

Development of Manganese Deposit in Mexico

Rapid progress is reported in the development of a new manganese lode near Casas Grandes, Chihuahua, Mexico. Shipments now are confined to high-grade ore, but a mill is planned to concentrate the lower-grade mineral.

Molybdenum-Mine Developments in Sweden

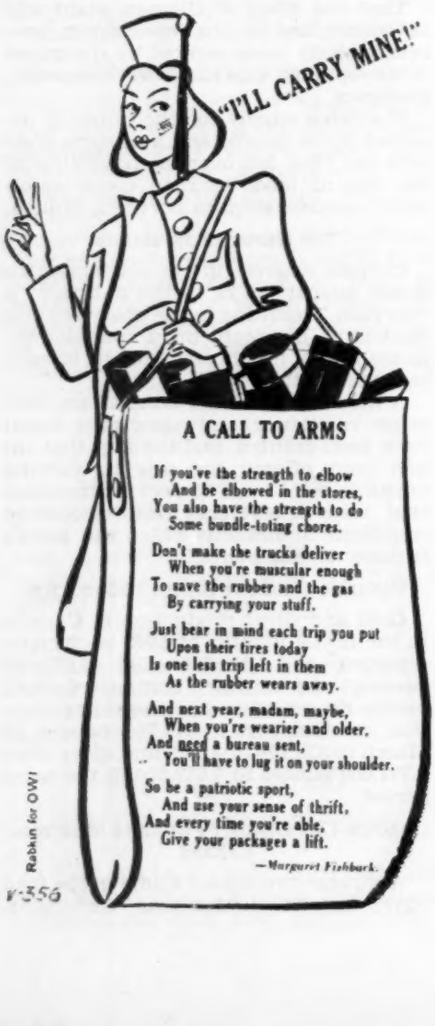
Molybdenum is being recovered on a fairly large scale in the Province of Vastmanland, Sweden, at the Kallefallet mine owned by Riddarhytte, A. B. A special plant has been erected at the mine to concentrate the ore, and the company plans to change from one to three shifts in the near future.

At the Algruven mine, in the parish of Lillharad, Province of Harjedalen, molybdenum has been uncovered, and developments include a shaft 30 meters deep and a drift 30 meters long. Diamond drillings have been made to a depth of 70 meters. For development and test mining, the owner and the Swedish Government have jointly invested a total of 315,000 crowns.

Sweden's Metal Imports

Imports of 22,107 metric tons of copper, lead, tin, and zinc into Sweden in 1942, though nearly double the 11,260 metric tons imported in 1941, were less than one-sixth of the 135,502 metric tons imported in 1939.

Raw phosphates dwindled from 187,284 metric tons in 1939 to 26,320 in 1941, and in 1942 there were no imports.


"I'LL CARRY MINE!"
A CALL TO ARMS
If you've the strength to elbow
And be elbowed in the stores,
You also have the strength to do
Some bundle-toting chores.
Don't make the trucks deliver
When you're muscular enough
To save the rubber and the gas
By carrying your stuff.
Just bear in mind each trip you put
Upon their tires today
Is one less trip left in them
As the rubber wears away.
And next year, madam, maybe,
When you're wearier and older,
And need a bureau sent,
You'll have to lug it on your shoulder.
So be a patriotic sport,
And use your sense of thrift,
And every time you're able,
Give your packages a lift.
—Margaret Fishback.
Rabkin for OWI
V-356

Nonmetallic Minerals

Production in Canada

Nonmetallic minerals produced in Canada in the first 4 months of 1943 included 110,000 tons of gypsum, 6,136 tons of feldspar, 1,469,000 barrels of cement, 313,469 tons of lime, and clay products valued at $1,582,000.

Commercial salt production in the January-April 1943 period amounted to 97,535 tons.

New Cement Factory Operating in Mexico

A cement plant recently completed at Guadalajara, Mexico, is operating at full capacity and is providing adequate supplies of cement for that region at a comparatively reasonable price.

Kieselguhr Deposit Found in Sweden

A deposit of high-quality kieselguhr discovered over an area of 10 hectares, at Mollerod, in the Province of Skane, Sweden, has possibilities of yielding 68,000 cubic meters of kieselguhr, which is equal to 27,000 metric tons of dry kieselguhr in final processed form.

Development of Lime Deposits in Sweden

Preliminary work has been started, with a view to utilizing, on an industrial scale, limestone deposits on the Island of Alno, Sweden, outside the city of Sundsvall. A plant now under construction for the exploitation of the deposits will cost about 150,000 crowns. Though the limestone from the Alno plant will be delivered in pulverized form for agricultural purposes, its use in industry, especially in the manufacture of alumina, is anticipated.

It is estimated that approximately 28,000,000 metric tons of limestone is available, having a lime content up to 90 percent.

Oils, Fats, and Oilseeds

India's Production of Oilseed Plants

The final forecast of the rape and mustard production in India this crop year revealed that the yield probably will be about 4 percent less than that of last season. Reports from the 15 principal Provinces showed that 1,043,600 long tons are anticipated. This compares with a 1,089,700-long-ton harvest in the 1941–42 season.

The decrease in area, as well as in yield, in the United Provinces, which usually represent more than 40 percent of the total devoted to rape and mustard, is because of unfavorable weather conditions and cultivation conversion resulting from a "Grow-More-Food" campaign.

Linseed production, on the other hand, is expected to show a significant gain of 14 percent from a 1941–42 crop of 361,000 long tons to 411,000 long tons in the current period.

Petroleum and Products

Gasoline Shortage Curtails Work in Chile

Lack of gasoline to transport ore has forced the gold mines at Andacollo, in the north of Chili, to curtail work; for the same reason the fishing town of Tolton in the south, near Timuco, is practically cut off from supplies, since the three trucks supplying the locality can make only one and a half trips each month on the amount of gasoline alloted. It is feared that the fishing industry will suffer greatly in the summer months if the gasoline shortage continues after the catch increases.

Crude-Petroleum Production in Mexico

Crude-petroleum production by Petroleos Mexicanos in the Coatzacoalcos region during June was considerably reduced from that of the preceding month and of June 1942.

Production at the Poza Rica, Naranjos, and Panuco fields, however, had increased about 450,000 barrels to a total of 2,607,696 barrels during the June 19 to July 19 period, compared with production in the preceding month. Stocks of oil held in this area on July 16 consisted of 3,128,684 barrels, or 8.5 percent less than the stores on hand on June 19.

Radio and Telephone

Radio Broadcasting Station in British Somaliland

A local broadcasting station has been established in British Somaliland, the African press reports.

Known as Radio KUDU, the station broadcasts short programs daily in the native language.

Many Broadcasting Stations in Szechwan Province, China

In 1942 there were 41 broadcasting stations in operation in Szechwan Province, China.

The largest of these stations, with an international hook-up, is located in Chengtu.

India's Telephone and Telegraph Service Increased

The Indian Posts and Telegraph Department has reported an increase in the number of telephone subscribers from 94,000 to more than 101,000 during the year 1941–42. The number of trunk calls made and telegrams sent

also rose substantially during the period—the former from 2,800,000 to 3,200,000; the latter from 19,000,000 to 22,500,000.

Rubber and Products

Rubber Substitutes Developed in Sweden

Efforts to develop satisfactory rubber substitutes for soles and heels in Sweden are said to have met with considerable success. One product, a synthetic rubber called "Modotiol," has been developed by the Nordiska Gummi Fabriks, A. B., in Sundyberg, a company manufacturing semipneumatic tires, solid tires for road machinery, industrial packing, and other rubber articles including gas masks. It is expected that an annual capacity for manufacturing 1,100,000 pairs of half soles will be reached by October of this year, at which time the company plans to triple production of synthetic rubber from 100 to 300 tons a year. The Government has been petitioned for support in the manufacture of this product.

Shipbuilding

Refrigerator Boats Built in Netherlands

Two refrigerator boats were built recently in the Netherlands for a German company for service in transporting foodstuffs on German rivers, reports the Nazi press. Technical equipment for the boats—which are stated to be the first refrigerator boats constructed in Europe for traffic on inland waterways—was furnished by Germany.

Each ship is propelled with a Deutz Diesel engine of 375 horsepower; the refrigerating unit is run by a 100-horsepower engine. The two insulated holds are capable of maintaining temperature as low as —15 degrees Centigrade. With capacity of 800 cubic meters, more than 500 metric tons of foodstuffs can be carried, plus an excess of 100 metric tons over and above the normal load.

The wheel house is constructed so that it can be lowered, enabling the boat to pass unloaded under low bridges. About one-third of the available space has been used for crew accommodations, including small apartments for the captain and engineer and their wives.

Special Products

Sweden Manufactures New Type of Bathtub

After considerable experimentation, a new type of bathtub has been developed in Sweden, constructed by cementing various standardized tiles to a frame made of wire concrete.

The method is said to be simple, inexpensive, and time-saving, and to produce an excellent substitute for ordinary tubs. A growing shortage of metal bathtubs led to the development of this tile tub.

Manufacture in Union of South Africa

Laboratory equipment is being manufactured in South Africa by an electroplating and enameling plant in Johannesburg, a British chemical magazine reports.

Products include thistle funnels, retorts, pipettes, burettes, and condensers.

Textiles and Related Products

Expansion of Brazil's Textile Industry

Faced with a large demand for textiles from neighboring countries, as well as from its own inhabitants, Brazil's textile industry has expanded remarkably in the past few years.

In November 1942, employees in this industry numbered 220,854, or an increase of more than 25,000 since 1940, when 195,702 workers were engaged. Production is also stepped up by overtime work.

Decreased Activity in Canadian Textile Mills

Activity in Canadian cotton mills has continued its steady decline during the past few months, say trade-journal reports. This is caused primarily by an inadequate labor supply, many spindles and looms being completely idle.

In June, 36,781 bales of cotton were consumed, making a total of 232,082 bales for the first half of 1943, which is the lowest for any corresponding period since 1939, when business was at a low ebb. In June of last year 40,589 bales were opened, with a total of 259,228 bales for the first 6 months of that year.

Employment in all branches of the textile industry (both primary and secondary manufacturing) is lower than a year ago, the total for May 1943 being 141,779 employees, compared with 148,137 in May 1942.

Cotton and Products

Australian Government To Control Prices

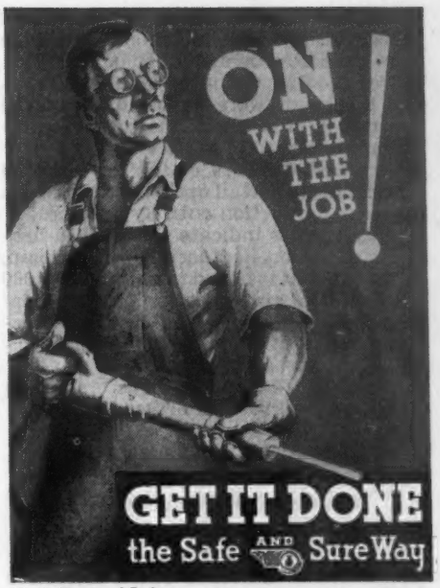
Full control over cotton-trade prices was assumed by the Australian Government on June 14, reports a British periodical.

Large purchases of raw cotton will be made by the Government for the use of spinners, in an effort to stabilize prices of raw cotton, cotton yarn, and clothing.

Sale and Price Regulations in India

Stocks and sales of cotton cloth and yarn are to be controlled in India, according to orders published on June 18 and 24, 1943.

Control is to be vested in a Textile Control Board of 25 members, which will describe the cloth and yarn affected. Maximum manufacturing and retail prices will be designated, and each bale of cloth will be stamped with prescribed markings.



U. S. Dept. of Labor

Stocks of cloth and yarn in the hands of manufacturers and dealers on July 31, must be declared, and must be disposed of before October 31. Cloth produced after July 31 must be sold to the consumer within 6 months after date of packing by the mill. Manufacturers may not hold larger stocks than are required for 3 months' production of cloth. Not more than 2 months' output of yarn may be retained in stock.

Under these provisions it is hoped to reduce prices of cotton yarn and cloth to a reasonable basis.

Japan Has Short Supply of Cotton

Despite strenuous efforts to introduce or expand cotton cultivation in many occupied areas, Japan is confronted with a constantly dwindling supply, say British press reports.

Faced with little better than starvation rations, most farmers in the occupied areas of Asia have deemed it more important to raise food for their own subsistence, rather than cotton for the invaders.

Increased Activity in Portuguese Mills

Recent arrivals of cotton in Portugal have been sufficient to permit mills to operate the greater part of each week. This will enable them to fulfill a Government regulation announced on July 19, which provides that all cotton-textile manufacturing plants must guarantee their employees not less than 3 days of work each week, or the equivalent in salary.

Cotton piece goods find immediate sales, at constantly rising prices.

Cotton Situation in Spain

Imports of raw cotton into Spain totaled 4,368,000 kilograms in May of this year, more than 1,000,000 kilograms above the 3,349,200 imported in the corresponding month of 1942. June imports of 4,626,000 kilograms, however, were

only about one-third of the 13,759,462 kilograms received in June 1942, which was the record month of that year.

For the first 6 months of 1943, 35,397,680 kilograms were imported, compared with 30,897,134 kilograms in the corresponding period of 1942.

Reduced stocks of cotton have caused some mills to curtail operations, and even to cease production entirely in June.

July reports indicate that 58,620 hectares of cotton had been sown in Spain, from which it is hoped to obtain 7,700,000 kilograms of ginned cotton. At the corresponding period of 1942, 40,480 hectares had been planted, producing 4,400,000 kilograms of cotton.

A new cotton mill is to be erected in Ecija, in the Province of Seville.

Wool and Products

Canada's 1942 Wool Imports

During the calendar year 1942 Canada imported 52,176,534 pounds of wool from New Zealand, almost twice the 29,778,680 pounds imported in 1941, says the Canadian Department of Trade and Commerce.

These shipments were made up of 44,223,447 pounds of greasy, 3,651,411 pounds of scoured, and 4,301,676 pounds of slipe wool in 1942, whereas 1941 imports comprised 19,694,547 pounds of greasy, 5,402,460 of scoured, and 4,681,673 pounds of slipe wool.

Wool Situation in U. K.

Production of wool tops recently reached the lowest level since the war began.

Orders for wool yarn were plentiful during the last week in July, and numerous inquiries pointed to further trade. Cloth mills continued busy, the output for civilian use consisting almost entirely of utility fabrics.

Miscellaneous Fibers

Flax Production in New Zealand

New Zealand's 1942–43 production of flax fiber is estimated at 1,713 tons; tow, 984 tons; seed, 4,542 tons; and other products, 2,278 tons.

Situation in El Salvador

By July 26, licenses had been granted for the planting of 13,700 manzanas of cotton for the 1943–44 crop. This total may reach 15,700 manzanas, and compares favorably with last year's sowing of 16,000 manzanas, which produced a record crop. (1 manzana=1.73 acres.)

Textile mills are working 24 hours daily in an effort to fill domestic requirements and the needs of other Central American countries.

During the first 6 months of 1942, department-store sales of all types of general merchandise were about 33 percent below the 1938-to-1940 average, with "dry goods" selling at nearly the normal rate. Department stores reported their sales for the first half of 1943 as being 25 percent lower than in the corresponding period of 1942, although dry goods had advanced about 12 percent.

Tobacco and Related Products

White Snuff Available in U. K.

White snuff is now available in the United Kingdom, says a British journal. This refreshing, slightly aromatic product does not stain the handkerchief and is packed in small, vest-pocket tins.

Production of paper products in La Paz, Bolivia, during 1942 was valued at $126,528 (U. S. currency).

Italy's Food in War and Peace

(Continued from p. 5)

ficiency in most basic foods are an adequate supply of fertilizers (some of which can be produced locally but must be supplemented by import), the cessation of excessive exports of products that cannot well be spared, the return of satisfactory internal transportation and distribution facilities, the opportunity for the Italian farmer to return to his land, and, in general, the return of the Italian people's confidence in the economic future of their labor.

Commercial Standards Cement Inter-American Trade

(Continued from p. 11)

Association requested the help of the National Bureau of Standards in establishing a commercial standard for hardwood dimension lumber exported from the United States. The Bureau of Foreign and Domestic Commerce and the Department of State referred a draft of the proposed standard to several foreign countries for comment. Adjustments were made to represent the composite views of those interested, and the standard was adopted, effective for new orders on July 1, 1941. A Spanish translation of this standard is now being prepared for printing.

First for Latin America

The first of the standards translated for the other American Republics was dispatched to those countries in November, 1942. It was a Spanish edition of Crawler Mounted, Revolving Power Shovels, Lifting Cranes, Dragline and Clamshell Excavators (Export Classifications), Commercial Standard CS90E–41; and it has brought many requests for additional copies. The Portuguese edition is now ready to go to the printers. This Power Shovel, Crane, and Excavator standard started on its course to adoption in December 1939, when a conference of manufacturers, held in Chicago, Ill., indicated its interest in establishing a standard for exports of these powerful machines. A tentative draft was prepared by the National Bureau of Standards and, after being revised, was submitted for comment to the other American Republics and to Canada. These comments indicated that such a standard would be invaluable in bringing about better understanding between buyers and sellers. The standard in its final form was adopted to be effective January 9, 1941.

Record Number

The unprecedented number of 34 associations and nearly 500 manufacturers, distributors, and users are among

the "acceptors" of Sanitary Cast Iron Enameled Ware, Commercial Standard CS77-40. Action leading to its establishment originated in March 1939, when the Sanitary Cast Iron Enameled Ware Association requested the cooperation of the National Bureau of Standards. Following suggestions from distributors, users, master plumbers, architects, and others, an informal standard was issued to go into effect October 10, 1939. A revised, printed edition was later issued, effective May 25, 1940. Both Spanish and Portuguese editions were distributed in February 1943.

For Diesel Engines

The most recently adopted standard for export covers Diesel and Fuel-Oil Engines, already mentioned. This standard was sponsored by the Diesel Engine Manufacturers Association, and became effective for new production on October 30, 1942. The label used on this product shows the shield of our flag, indicating the vital part being played by Diesel engines in both production and prosecution of the war. It took a little more than a year, during which the proposed standard was circulated to selected offices in the other Americas, for the final adoption of the standard for these most powerful, modern engines now going into the tanks, trucks, ships, mining machinery, electric and other plants working to speed defeat of the Axis.

U. S. Trade With Other American Republics, First Half of 1943

General imports of merchandise from the 20 Latin American Republics exceeded total exports of merchandise to them by $209,000,000 during the first half of 1943, an increase of 28 percent above the merchandise import balance of $163,000,000 for the first 6 months of 1942, according to a statement released by J. C. Capt, Director of the Bureau of the Census, Department of Commerce.

Both exports and imports of merchandise have increased from the 1942 level, the increase in merchandise imports amounting to approximately three times the increase in exports. Significant increases in our merchandise import balance are to be noted in the trade with Mexico, Cuba, Chile, and Uruguay, while a large decrease occurred in our import balance with Brazil.

Net imports of gold and silver have decreased 70 percent from $73,000,000 in the first half of 1942 to $21,000,000 in the corresponding period of the present year. Over 96 percent of this decrease represents changes in the trade in the metals with Mexico and Colombia. By reason of the large decrease in the gold and silver balance, our net import balance decreased from $237,000,000 in the first 6-month period of 1942 to $230,000,000 in the like period of 1943.

The net import balance for the second quarter of 1943 shows a 27-percent increase over the first quarter, rising from $101,000,000 in the January–March period to $129,000,000 in the April–June period. The merchandise import balance increased 38 percent from $88,000,000 in the first quarter to $121,000,000 in the second quarter, while the gold and silver import balance decreased 42 percent from $14,000,000 to $8,000,000.

The following tables show the January–June 1942 and 1943 balances of trade for both merchandise and gold and silver for the individual Latin American Republics:

Balance of Trade in Merchandise, and Gold and Silver, With Latin American Republics; Net Balance of Trade; January–June 1942–43

Country	Merchandise and gold and silver (thousands of dollars)	
	6 months through June 1942	6 months through June 1943
Costa Rica	+404	−663
Guatemala	−7,402	−3,842
Honduras	−1,442	+401
Nicaragua	−4,175	−1,615
Panama, Republic of	+10,648	+12,758
El Salvador	−7,431	−9,826
Mexico	−32,680	−19,379
Cuba	−26,749	−47,395
Dominican Republic	+711	+705
Haiti	−207	−1,614
Argentina	−43,252	−40,397
Bolivia	−8,095	−6,009
Brazil	−51,046	−15,994
Chile	−39,053	−54,881
Colombia	−34,619	−28,109
Ecuador	+813	−4,636
Paraguay	−922	−653
Peru	−5,048	−4,292
Uruguay	−1,237	−14,336
Venezuela	+19,898	+9,950
Total	−236,884	−229,827

Export balance (+). Import balance (−).

Balance of Trade in Gold and Silver, With Latin American Republic; Net Balance of Trade; January–June 1942–43

Country	Gold and silver (thousands of dollars)	
	6 Months through June 1942	6 Months through June 1943
Costa Rica	−304	−135
Guatemala	−29	−14
Honduras	−1,034	−575
Nicaragua	−4,021	−4,034
Panama, Republic of	−5	+1
El Salvador	−577	−474
Mexico	−42,710	−3,038
Cuba	−9	+92
Dominican Republic	−122	−19
Haiti	−7	
Argentina	−169	−78
Bolivia	−94	−1,878
Brazil	+30	
Chile	−1,787	−2,285
Colombia	−10,644	
Ecuador	−975	−1,957
Paraguay		
Peru	−8,958	−5,761
Uruguay	+3	+3
Venezuela	−2,041	−1,159
Total	−73,453	−21,311

Export Balance (+). Import Balance (−).

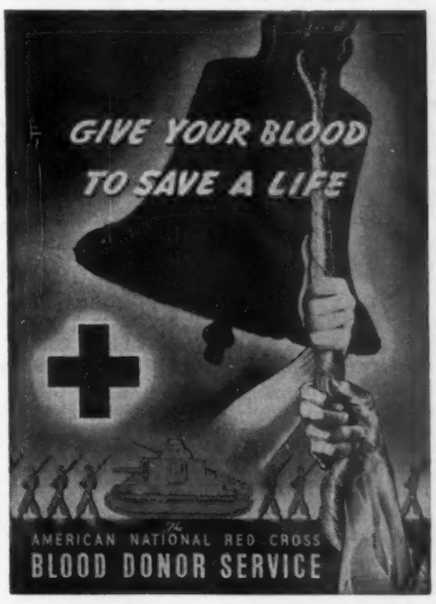
Balance of Trade in Merchandise With Latin American Republics; Net Balance of Trade; January–June 1942–43

Country	Merchandise (thousands of dollars)	
	6 months through June 1942	6 months through June 1943
Costa Rica	+708	−528
Guatemala	−7,373	−3,828
Honduras	−408	+976
Nicaragua	−154	+2,419
Panama, Republic of	+10,653	+12,757
El Salvador	−6,854	−9,352
Mexico	+10,030	−16,341
Cuba	−26,740	−47,487
Dominican Republic	+833	+724
Haiti	−200	−1,614
Argentina	−43,083	−40,319
Bolivia	−8,001	−4,131
Brazil	−51,076	−15,994
Chile	−37,266	−52,596
Colombia	−23,975	−28,109
Ecuador	+1,788	−2,679
Paraguay	−922	−653
Peru	+3,910	+1,469
Uruguay	−1,240	−14,339
Venezuela	+15,939	+11,109
Total	−163,431	−208,516

Export balance (+). Import balance (−).

The Minister of National Economy of Chile reports that 20,000 more tons of coal were mined in Chile in the first 5 months of this year than in the corresponding period of 1941 or 1942. Chile's coal problem is not one of underproduction but rather of overconsumption because of the scarcity of other fuels.

President Getulio Vargas, of Brazil, has signed a decree-law creating a commission to prepare a national highway program. The commission will be composed of representatives of the National Highway Department, War Department, Department of Ports and Navigation, National Railroad Department, Reclamation Bureau, and Committee for the Study of State Affairs.



Trade Mark Applications

Argentina.—The following applications for trade-mark registration were published in the Boletin Oficial of August 3, 1943. Opposition must be filed before September 6, 1943.

Trade-mark	*Class number and commodity*
Viko	No. 22—Entire Class.

Chile.—The following applications for trade-mark registration were published in the Diario Oficial of Santiago. Opposition must be filed within 30 days from the date of publication.

Trade-mark	*Class number and commodity*
Carlton	No. 21—Entire Class.
Cascola	No. 10—Paints and glue.

Trade-mark	Class number and product	Date of publication
		1943
Yelotex	No. 21—Plain soap and preparations for washing and cleaning.	Aug. 2
Sentinel	No. 28—Hand-tools and cutlery	Do.
Sentinel, Friolite, Faustina	No. 32—Heating, lighting and ventilating apparatus.	Do.
A. E. G., Yelotex	No. 34—Refrigerators, filters	Do.
Martin Star, Franklin, Invicta, Schneider, Lockheed	No. 36—Machines and vehicles	Do.
A. E. G., Sismalar	No. 37—Telegraphs, telephones, radio, signals.	Do.
Sentinel	No. 42—Furniture of metal and wood	Do.
Galatex, The Scotsman, Antoinette, Country Shirt, Blason	No. 47—Clothing	Do.
Wonderland, Ena	No. 50—Footwear	Do.
Coprolac	No. 60—Milk and milk products	Do.
Baby Ruth, Butterfinger	No. 66—Biscuits, candy, pastry, deserts, sirups.	Do.
Acetarsone, Arsonal, Nicacid, Nicotabbott, Apertin, Hipertin, Hipetasol, Osulan, Deamin, Acticar, Norvetal, Pantovit, Otizol, Tavional, Ademine, Suctilin, Acticarbol, Vepestal, Diofilina, Otolan, Suctidina, Colarbon, Laxetal, Colicarbol, Pantolan, Vegelax, Cosedin, Becomplex, Pantalbina, Combeton, Carboformo, Sucsulan, Panviton, Pantoformo, Alexandra, Zircotan, Vitademina, Vitaden, Devitina, Debetan, Betade, Vitade, Ultraden, Imperadina, Gestyl, Progestin, Progestoral, Belazem, Abexol, Etnina, Cordicura, Tirosine, Troricin, Rotricin, Fenilina, Nicilpen, Pencinil, Enyodol, Viocarban, Anestesico Bayer Corbasil, Antitox, Tabletas Alpinas, Licor Vegetal Verdu, Etoplex, Funk-Dubin, Petrole Hahn, Evanol, Somnobarbital, Hipnobarbital, Galacturocal San Benito, Suctizol, Corfilina, Complevit, Acoformo, Otogesan, Corsedan.	No. 75—Chemical and pharmaceutical products.	Do.
Bramont, Simplex, Sanitas	No. 77—Instruments and utensils for doctors, chirurgeons.	Do.
Coca-Cola, Printype	No. 81—Writing materials, paper, printed matter but not periodicals.	Do.
Fortune	No. 82—Published periodicals	Do.

Uruguay.—The following applications for trade-mark registration were published in the Diario Oficial of Montevideo, on the dates noted. Opposition must be filed within 30 days from the date of publication.

Trade-mark	Product	Date of publication
		1943
Adrien	Perfumery and beauty products.	Aug. 2 to 7.
Fosfo-Thiamin	Drugstore and chemical products.	Do.
Benyn	Textiles, drygoods, ready-to-wears, etc.	Do.

Inca, Irish, and International

(Continued from p. 8)

potato crop was estimated at 62,000,000 quintals, compared with an output of 50,640,000 quintals in 1935 and only 22,000,000 quintals in 1923—not far from a threefold advance in two decades. Denmark last year enjoyed a record potato crop of 1,700,000 metric tons, or 35 percent larger than in 1941; Finland's 1942 harvest of 792,000 tons also was a decided improvement over the preceding year. The yield for Norway was 1,250,000 metric tons in 1941—a disappointment, caused by disease, shortage of fertilizer, and poor weather.

Algeria and Morocco grow potatoes in large quantities, but a considerable proportion of war-year crops were eventually destined for the Axis, before the United Nations moved in. The white potato's potential usefulness to Germany can be surmised from the figures for pre-war years: between 1934 and 1938 the two North African countries exported an annual average of 71,000 metric tons. Algeria alone in 1938 shipped 19,650 tons.

"Down Under"

Foreign trade in potatoes assumes some unusual forms, at times. For 1942–43 Australia has a goal of 500,000 tons of potatoes, a 50 per cent increase over production in ordinary years. If there is a surplus available after expected use of fresh, canned, and dehydrated products, it will be dehydrated—but a surplus depends on the appetites of United Nations soldiers now quartered in the island continent—they will do a good deal of eating, especially of potatoes.

Dehydration Prospects

One possible boon to potato growers in the United States and elsewhere is that dehydrated potatoes may enter more extensively into the export trade in coming years. One of the great drawbacks to international trade in these common but much appreciated vegetables is the shipping problem. Potatoes are highly perishable at times, and value for weight is out of proportion to grains, meats, and other food preparations. Then, too, *storage* presents a problem with potatoes; this is not so much the case with wheat, rice, coffee, and other products that can be warehoused for rather long periods, because they are less susceptible to weather changes.

A Bit of History

Foreign trade in potatoes started in the United States in 1747, when 700 bushels were exported from Carolina to England. This nation has always carried on some trade in potatoes since that time, although commerce in "ground chestnuts," as de Leon called them, has never compared in volume with that in wheat, cotton, or meat. In 1840, potatoes were first entered on the lists of the Census of Crops, and in that year, a century ago, over 108,000,000 bushels were produced. Although our population has increased 10 times, our output of *Solanum tuberosum* has multiplied only three or four fold in the past 100 years.

At times, the United States has enjoyed a good export business in potatoes. In 1915, 4,018,000 bushels were shipped abroad at an average price of $1.03 per bushel. Largest recent *imports* were in 1911 when partial crop failure stimulated the purchase of 13,735,000 bushels valued at $7,164,480. During the present century we have never exported less than a million bushels annually except in 1931–2–3, years of very low prices. For the past 5 years, exports have exceeded 2,700,000 bushels annually.

Wartime Movements

Recent foreign trade with the United Nations may be partially ascertained by reference to deliveries of agricultural products for export. Purchases for the period April 30, 1941, to May 31, 1943, includes 984,242 pounds of dehydrated, 232,343 pounds of fresh white, and 32,858,560 pounds of canned potatoes.

(Continued on p. 32)

Our Free Enterprise Gives More Social Gains Than Any Other System

New Books and Reports

★ The following publications, added to the Department's research facilities, through the courtesy of the authors and publishers, are listed as a service to businessmen. *Please note:* The Department has no copies of private publications for distribution and cannot be responsible for their content. For private publications, write direct to the publishing agency given in each case.

Articles of Current Interest Appearing in the Department of State Bulletin August 14, 1943

Copies of this publication, which is issued weekly by the Department of State, may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., for the price of 10 cents each; subscription price, $2.75 a year. The August 14 issue contains these articles:

ADDRESS BY THE PRESIDENT TO THE PEOPLE OF THE PHILIPPINES.

SECOND ANNIVERSARY OF THE SIGNING OF THE ATLANTIC CHARTER.

MUTUAL-AID AGREEMENT WITH ETHIOPIA.

BRITISH OFFER TO COMPENSATE FOR EXPROPRIATED PRIVATE PROPERTY AT BASES LEASED TO THE UNITED STATES.

PURCHASE OF WHEAT IN NORTH AFRICA.

DEATH OF THE PRESIDENT OF CHINA.

INTERGOVERNMENTAL COMMITTEE ON REFUGEES.

DEPARTMENT OF STATE:

Appointment of Deputy Directors in the Office of Foreign Economic Coordination.

Appointment of General Consultant to the Secretary of State.

Appointment of Chief of London Office for Foreign Relief.

Other Publications

CUSTOMHOUSE GUIDE—1943 EDITION. John F. Budd (ed.) 1943. 1,532 pp. Price, $20, plus postage. Contains import-export information for those engaged in foreign trade, completely revised for the first time since 1937. Consists of an alphabetical index of more than 30,000 commodities and their rates of duty, including latest rates in acordance with the 25 Reciprocal Trade Agreements enacted to date; a revised section on Internal Revenue Code; descriptions of all U. S. ports of entry with individual directories of companies in each engaged in the shipping trades. Contains in the Appendix the texts of, or references to, sections of laws and the text of regulations administered by other Government departments or agencies and enforced wholly or in part by the Customs Service. In this section are listed the former "Title–15 Commerce" of the Bureau of Foreign and Domestic Commerce, and "Title–46 Shipping" of the Bureau of Marine Ispection and Navigation.

Available from: Customhouse Guide, Box 7, Station P, Customhouse, New York, N. Y.

TRADE RELATIONS BETWEEN FREE-MARKET AND CONTROLLED ECONOMIES. League of Nations. 1943. 96 pp. Price, $1. What form of trading relationships should be established between countries that subject their foreign trade to direct regulation and those that desire to avoid such controls and to influence the free play of the price mechanism only or mainly by tariffs? This question is approached by an analysis of the difficulties with which countries with a substantially free trading system were faced in the 1930's because of the growth of quotas, exchange control, and Government monopolies elsewhere, and by appraising the attempts made to meet these difficulties. Formulates a number of objectives and proposals for the future.

Available from: Columbia University Press, International Documents Service, 2960 Broadway, New York 27, N. Y.

HISTORY OF LATIN-AMERICAN NATIONS. William Spence Robertson. 1943. 578 pp. 3d ed. Price, $4. Outlines chief events in the history of Latin America. Discusses the land, the people, European background, social and economic conditions in the old regime, and so on. Surveys the development of Latin American countries from the beginnings of their independence to the present time. Contains a discussion of the common problems and ideals of Latin America, as well as a description of its relations with Great Britain, with other European powers, and with the United States. Illustrated throughout with maps.

Available from: D. Appleton-Century Co., Inc., 35 W. 32nd Street, New York, N. Y.

THE FINANCIAL POST BUSINESS YEAR BOOK 1943. The Financial Post. 1943. 144 pp. Price, $2. An annual survey of market data featuring the economic areas, Provinces, cities, and towns of Canada. Includes special surveys of major industries, agriculture, finance, banking, insurance, transportation, and prices. Among the new features is a survey of Canada's housing situation, information on Canada's people, resources, and production under wartime conditions, and an article on post-war plan-

Latin American Exchange Rates

[NOTE.—Averages are actual selling rates for sight drafts on New York, in units of foreign currency, per dollar, with the following exception: Cuba—United States dollares to the pesos. The peso of the Dominican Republic, the Guatemalan quetzal and the Panamanian balboa are linked to the dollar at 1 to 1; the Haitian gourde is fixed at 5 gourdes to the dollar.]

Country	Unit quoted	Type of exchange	Annual average rate		Average rate		Latest available quotation	
			1941	1942	Nov. 1942	Dec. 1942	Rate	Date, 1943
Argentina	Paper peso	Official A	3.73	3.73	3.73	3.73	3.73	July 24
		Official B	4.23	4.23	4.23	4.23	4.23	Do.
		Bid	4.88	4.94	4.94	4.94	4.94	Do.
		Free market	4.24		4.23		3.98	Do.
Bolivia	Boliviano	Controlled	43.38	46.46	46.46	46.46	42.42	Aug. 2
		Curb	54.02	49.66	50.00	50.00	43.00	Do.
Brazil	Cruzeiro [1]	Official	16.50	16.50	16.50	16.50	16.50	July 16
		Free market	19.72	19.64	19.63	19.63	19.63	Do.
		Special free market	20.68	20.52	20.50	20.50	20.50	Do.
		Curb	20.30					
Chile	Peso	Official	19.37	19.37	19.37	19.37	19.37	June 30
		Export draft	25.00	25.00	25.00	25.00	25.00	Do.
		Curb market	31.78	31.75	33.87	33.72	33.85	Do.
		Free	31.15	31.13	31.10	31.10	31.10	Do.
		Gold Exchange	31.15	31.13	31.10	31.10	31.10	Do.
		Mining dollar	31.35	31.13	13.10	31.10	31.10	Do.
		Agricultural dollar	[2] 31.15	31.13	13.10	31.10	31.10	Do.
Colombia	do	Controlled	1.75	1.75	1.75	1.75	1.75	July 24
		Bank of Republic	1.76	1.76	1.76	1.76	1.76	Do.
		Stabilization Fund	([3])	([3])	([3])	([3])	([4])	Do.
		Curb	1.86	1.77	1.77	1.77	1.75	Do.
Costa Rica	Colon	Uncontrolled	5.85	5.71	5.64	5.65	5.65	July 27
		Controlled	5.62	5.62	5.62	5.62	5.62	Do.
Cuba	Peso	Free	.98	1.00	1.00	1.00	1.00	June 1
Ecuador	Sucre	Central Bank (Official)	15.00	14.39	14.10	14.10	14.10	July 15
Honduras	Lempira	Official	2.04	2.04	2.04	2.04	2.04	June 8
Mexico	Peso	Free	4.86	4.85	4.84	4.85	4.85	July 31
Nicaragua	Cordoba	Official	5.00	5.00	5.00	5.00	5.00	July 24
		Curb	5.93			5.05	5.25	Do.
Paraguay	Paper peso	Official		333.00	333.00	333.00	333.00	June 30
Peru	Sol	Free	6.50	6.50	6.50	6.50	6.50	July 31
Salvador	Colon	do	2.50	2.50	2.50	2.50	2.50	July 19
Uruguay	Peso	Controlled	1.90	1.90	1.90	1.90	1.90	Aug. 7
		Free	2.31	1.90	1.90	1.90	1.90	Do.
Venezuela	Bolivar	Controlled	3.26	3.35	3.35	3.35	3.35	July 24
		Free	[5] 3.76	3.45	3.35	3.35	3.35	Do.

[1] Under law of Oct. 6, 1942, the cruzeiro became unit of currency, replacing the milreis. Since, Nov. 1, 1942, exchange quotations have been in terms of cruzeiros and centavos to the dollar.
[2] Established Mar. 25.
[3] For class 2 merchandise 1,795; class 3, 1.87; class 4, 1.95.
[4] For class 2 merchandise, 1.765; class 3, 1.775; class 4, 1.785.
[5] July 24–Dec. 31.

NOTE.—Special rates apply to automotive equipment and agricultural machinery imported from the United States into Argentina.

ning. Also includes data on Newfoundland.

Available from: The MacLean Publishing Co., Ltd., 481 University Avenue, Toronto, Canada.

AMERICA'S FOREIGN POLICIES: PAST AND PRESENT. Thomas A. Bailey. 1943. 96 pp. Headline Books No. 40. Price, 25 cents. A résumé of the foreign policies of the United States from its legal birth in 1776 up to the present time.

Available from: The Foreign Policy Association, 22 E. 38th Street, New York, N. Y.

THE FIGHT FOR NEW GUINEA. Pat Robinson. 1943. 183 pp. Price, $2. Tells the story of the New Guinea campaign. Describes the painstaking preparations for this offensive and the many obstacles which General MacArthur had to overcome to carry this offensive to a successful conclusion. Tells of many experiences of the American boys during this campaign and shows how vitally important was the contribution of the men of the Air Corps. In the years to come, the author says, historians may analyze the exploits of these airmen and explain the physical and psychological factors that made it possible for a mere handful of them to block the might of the Japanese Empire.

Available from: Random House, Inc., 20 E. 57th Street, New York, N. Y.

THE STANDARD OF LIVING OF GERMAN LABOR UNDER NAZI RULE. Hilde Oppenheimer-Bluhm. 1943. 71 pp. Supplement V. Price, 50 cents. Discusses labor's earned income, disposable income, hours of work required, intensity of work, effects of the longer hours and increased intensity, the extent of individual satisfaction of wants, saving, and the satisfaction of wants by the community.

Available from: Social Research, 66 W. 12th Street, New York 11, N. Y.

Incas, Irish, and International

(Continued from p. 30)

This total, in the neighborhood of 712,000 bushels, is not large in comparison with normal exports.

Internal commerce in potatoes affects every State, because production on some scale is universal in this country, and the average per capita consumption exceeds 150 pounds annually. The commercial potato crop is produced by less than 100,000 growers, of whom about one-third plant more than 10 acres to this crop. However, some 3,000,000 farmers raise potatoes on plots averaging less than an acre in area; they produce about 100 bushels per acre.

Recent periods of scarcity have elevated the potato to a status where the root is *appreciated* in this country and not "taken for granted."

New methods of preservation may take some of the seasonableness from the crop and permit assured year-round supplies.

U. S. Export Control and Related Announcements

Developments communicated to the Trade Controls Unit up to Tuesday, August 24, 1943.

No. 481.—*Current Export Bulletin No. 114.*

The Office of Exports has issued Current Export Bulletin No. 114, covering the following items:

I. AIR CARGO PRIORITIES ON EXPORT SHIPMENTS.

Exporters shipping cargo by plane which is essential to the war program and in quantities sufficient to meet only urgent requirements may request an air priority rating. Important air shipments, particularly drugs and chemicals, have suffered unnecessary delay because exporters failed to request air priority ratings. Requests for air priority ratings should be directed to the Air Transport Division, Office of Economic Warfare, Washington 25, D. C. (Telephone: EXecutive 7030, Extension 2266).

Requests for air priority ratings may be made when the license application is submitted or at any time thereafter. Requests for air priority ratings should contain the following information, and may be submitted by telephone, wire, letter, or in person.

1. Number, dimensions (length, width, and thickness), and weights of items in shipment.
2. Description of the commodity or commodities.
3. Person in care of whom shipment can be located and address of location of shipment.
4. Telephone number of person in care of whom shipment can be located.
5. Name and address of consignor and consignee.
6. Can shipment be divided?
7. A justification for each request, stating why the shipment must be made by air.
8. Points between which priority is requested.
9. Earliest time at which shipment will be available for air transportation.
10. Latest arrival possible at destination.
11. Name and authority of person requesting the priority.
12. Export license number (if license quired.

Information concerning reservations and shipping arrangements with the airlines may be found on page 125 of Comprehensive Export Schedule No. 11.

Through arrangements with U. S. Army and Navy authorities, the Office of Economic Warfare will recommend air priority ratings on shipments where a priority is warranted, whether such cargo is being exported under general, individual, SP, Blanket or Special license, or release certificates, to:

Argentina
Bahamas
Bermuda
Bolivia
Brazil
British Honduras
British Guiana
Chile
Colombia
Costa Rica
Cuba
Curacao
Dominican Republic
Ecuador
El Salvador
French Guiana
French West Indies
Guatemala
Haiti
Honduras
India
Ireland
Jamaica
Leeward Islands
Mexico
Newfoundland
Nicaragua
Panama
Paraguay
Peru
Portugal
Surinam
Trinidad
Turkey
Union of South Africa
United Kingdom
Uruguay
Venezuela
Windward Islands

Requests for air priority ratings for cargo exported to Puerto Rico, Alaska, Hawaii and the Virgin Islands should be made to the Department of the Interior.

II. EXPORTATION OF UNEXPOSED PHOTOGRAPHIC FILM, DRY PLATES, AND PHOTOGRAPHIC PAPER.

Unexposed photographic film, dry plates, and photographic paper are subject to examination by the Office of Censorship before exportation from the United States. After obtaining an OEW export license, persons desiring to export these commodities as personal baggage may avoid delay by submitting them with a request for the required examination and sealing by the United States Customs in advance of the proposed exportation. Such commodities may be sent by mail, or may be delivered to the District Postal Censorship or Travelers' Censorship station or to the Customs office nearest to the residence of the sender, or to the Customs office at the point of intended departure from the United States. The examination will be made in such a way that the photographic film, dry plates, and photographic paper will not be damaged.

If found upon examination to be unexposed, the film, plates, or paper will be packaged and sealed and marked with the stamp of the United States Customs Office. The package will be permitted to leave the United States without further examination at the port of exist provided the seals are unbroken, and there is no evidence that the cover or wrapper has been tampered with.

When unexposed photographic film, dry plates, and photographic paper are submitted for examination prior to the exportation, sufficient return postage should be enclosed to insure return to the sender by mail. Travelers may call for and obtain their sealed packages before their departure if they so desire.

District Postal Censorship stations are located at the following addresses:

Lock Box #7400-A, New P. O., Chicago, 80, Ill.
252 Seventh Avenue, New York 1, N. Y.
901 N. E. Second Avenue, Miami 31, Fla.
860 St. Charles Street, New Orleans 8, La.
323 First National Bank Bldg., El Paso, Tex.
407 Federal Building, San Antonio 6, Tex.
Federal Building, Brownsville, Tex.
Federal Building, Laredo, Tex.
224 Terrace Avenue, Nogales, Ariz.
1206 South Maple St., Los Angeles 15, Calif.
1201 E. Madison Street, Seattle 22, Wash.
Room 218, P. O. Building, San Juan, P. R.
1045 Sansome Street, San Francisco 11, Calif.
Balboa, Canal Zone.
Cristobal, Canal Zone
Federal Bldg., Honolulu, T. H.

Travelers' Censorship stations are located in the Customhouse in the following cities:

Philadelphia, Pa.
Georgetown Customs Office, Washington, D. C.
Everglades, Fla.
Jacksonville, Fla.
Fort Worth, Tex.
Galveston, Tex.
Hidalgo, Tex.
Roma, Tex.
Eagle Pass, Tex.
Del Rio, Tex.
Presidio, Tex.
Douglas, Ariz.
Naco, Ariz.
Glendale, Calif.
San Ysidro, Calif.
Calexico, Calif.
Mobile, Ala.
Pensacola, Fla.
Houston, Tex.

The general license for exportation of unexposed photographic film, dry plates, and photographic paper to Newfoundland is hereby cancelled. Unless exported under general license GUS, these commodities may not be exported under general license to any destination. All developed photographic film, dry plates, and photographic paper or prints may be exported under general license to all destinations to which the Office of Economic Warfare has assigned a country number, provided that requirements of the Office of Censorship are met. (See page 97 of Comprehensive Export Schedule No. 11.)

III. Export of Chemicals Requiring Release From War Production Board.

1. All holders of valid export licenses covering chemicals under allotment for export which are also under domestic allocation by the War Production Board and, therefore, require a release from the War Production Board on PD-600 or similar release form, and for which no such release has been obtained, must submit the appropriate War Production Board form to the Office of Exports promptly. The appropriate forms, properly filled out, must be submitted by September 15, 1943, to the Chemical Section, Chemicals and Health Supplies Division, Office of Exports, Office of Economic Warfare, for transmittal to the War Production Board.

2. Effective immediately all applications for chemicals requiring a release from the War Production Board on PD-600 or similar form must be accompanied by the required form upon submission to the Office of Exports. License application form BEW 119 must be submitted in quadruplicate in such cases.

IV. Change in Distribution of Argentine Certificates of Necessity.

Under the procedure for exports to Argentina described in Current Export Bulletin No 77, U. S. exporters received the first copy (original) of Certificates of Necessity from Argentine importers, which they then forwarded to the Office of Exports along with export license applications. At the same time, the third and fourth copies were transmitted directly to the Office of Exports from Argentina.

For purposes of uniformity, Argentina will immediately conform to the system of distribution now in effect with respect to the Other American Republics, i. e., the original and third copy of the Certificates of Necessity will be forwarded to the Office of Exports and the fourth copy will be forwarded to the U. S. exporters from their Argentine importers for transmission to the Office of Exports promptly along with export license applications.

V. Extension of General Licenses for French Possessions in the South Pacific.

In paragraph B, Subject I of Current Export Bulletin No. 110, exporters were advised that all general licenses authorizing the exportation of commodities to French Oceania and New Caledonia would be cancelled as of August 15, 1943, including the special general license provision for medicinals. Exporters are now advised that the cancellation of general licenses which was to take effect on August 15, 1943, will, instead, become effective October 1, 1943. The cancellation of general licenses applicable to New Hebrides which became effective April 30 and June 30, 1943, as announced in Current Export Bulletin No. 89, is not affected by the above provision.

VI. R. P. M. Required on Applications to Export Certain Internal Combustion Engines.

Internal combustion engines of certain types are classified by the War Production Board as either *over or under 750 R. P. M.*

Exporters must therefore indicate when applying for licenses for these products whether the engine is:

a. 750 R. P. M. or over, or
b. Under 750 R. P. M.

This information should be included with the description of the following commodities:

Commodity	*Schedule B number*
Electrical generating sets, powered by Diesel engines, assembled or unassembled	7011.05
Internal-combustion engines:	
Gasoline, kerosene, etc. (carburetor type):	
Not over 10 horsepower	7143.00
Over 10 horsepower	7144.00
Diesel and semi-Diesel (injection type):	
Stationary and portable—	
Not over 200 horsepower	7147.00
Over 200 horsepower	7148.00
Accessories and parts—internal-combustion engines	7159.00

VII. Bristle Brushes Information Required For Export

Applications for licenses to export any of the following brushes containing bristles or bristle substitutes must now specify:

(1) the kind of bristles (animal or other)
(2) the length of hog bristles, if any as follows:
"hog bristles, 3⅛ inches or longer"
"hog bristles, less than 3⅛ inches in length"

Commodity	*Schedule B number*
Toothbrushes	9822.00
Toilet brushes, other than toothbrushes	9824.00
Paint brushes (include industrial paint brushes, artists' brushes, and camel hair sword striping pencils)	9825.01
Household brushes	9826.10
Other brushes	9826.91

C. Victor Barry,
Chief of Office,
Office of Exports.

Current Export Bulletins are issued by the Office of Exports for the guidance of all concerned with Export regulations and interpretations. The Bulletins supplement the Comprehensive Export Schedules. Copies of the Comprehensive Export Schedules may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., at a cost of 20 cents per copy or $1 for six issues.

No. 1—*Import Price.*

As of August 20, 1943, the Office of Price Administration has issued a Maximum Import Price Regulation, effective August 23, 1943, setting up a separate Import Price Control similar to the Maximum Export Price Regulation, as follows:

(Document No. 20320)

Part 1371—Import Prices

[Maximum Import Price Regulation]

IMPORT PRICES

Revised Supplementary Regulation No. 12, as amended,[1] is redesignated as the Maximum Import Price Regulation and is amended to read as set forth herein. Any reference to Supplementary Regulation No. 12[2] or to Revised Supplementary Regulation No. 12 in any price regulation heretofore issued by the Office of Price Administration shall hereafter be deemed to be to the Maximum Import Price Regulation.

A statement of the considerations involved in the issuance of this regulation has been issued and filed with the Division of the Federal Register:*

§ 1317. *Maximum import prices.* Under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, as amended, and Executive Orders Nos. 9250 and 9328, the Maximum Import Price Regulation which is annexed hereto and made a part hereof, is hereby issued.

Authority: Section 1371.1 issued under Pub. Laws 421 and 729, 77th Cong., E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681.

Maximum Import Price Regulation

ARTICLE I—APPLICATION OF THIS REGULATION

Sec.
1. Application of this regulation.
2. Purchases from foreign sellers excepted from this and other price regulations.

ARTICLE II—IMPORTED INDUSTRIAL MATERIALS

3. Sales of imported industrial materials by importers to intermediate distributors or industrial users.
4. Sales of imported industrial materials by intermediate distributors to industrial users.
5. Applications for adjustment of maximum prices by industrial users.
6. Definitions relating to sales of imported industrial materials.

ARTICLE III—DOMESTIC MANUFACTURED GOODS MADE WITH IMPORTED INDUSTRIAL MATERIALS

7. Sales of domestic manufactured goods made with imported industrial materials.

ARTICLE IV—IMPORTED MANUFACTURED GOODS

8. Sales of imported manufactured goods.
9. Definitions relating to sales of imported and domestic manufactured goods.

ARTICLE V—OTHER SALES OF IMPORTED COMMODITIES

10. Other sales of imported commodities.

ARTICLE VI—GENERAL PROVISIONS

11. Less than maximum prices.
12. Failure to file reports.
13. Evasion.
14. Enforcement.
15. Definitions incorporated by reference.
16. Report to be made by importer of industrial materials.
17. Report to be made by intermediate distributor of industrial materials.

Note: Certain words and terms used in this regulation are particualrly defined in secitons 6 and 9 and have the meaning for the purposes of this regulation contained in those definitions. The terms so defined are in quotation marks the first time they appear in the text of this regulation.

Article I—Application of This Regulation

Section 1. *Application of this regulation.* This regulation applies to all sales of "imported industrial materials," "imported manufactured goods" (except beverages, foods and food products, animal and poultry foods or feeds), other imported commodities (except lumber and wood shingles produced in and imported from Canada or Mexico) and certain domestic manufactured goods made with imported industrial materials which, but for this regulation, would be subject to the General Maximum Price Regulation[3] or to any section of Revised Supplementary Regulation

[1] 7 F. R. 10532, 8 F. R. 611, 2035.
[2] 7 F. R. 4661.

*Copies may be obtained from the Office of Price Administration.
[3] 8 F. R. 3096, 3849, 4347, 4486, 4724, 4978, 4848, 6047, 6962, 8511, 9025.

No. 14[4] which does not fix dollars-and-cents ceiling prices.

SEC. 2. *Purchases from foreign sellers excepted from this and other price regulations.* Neither this regulation nor any other price regulation (unless it contains express provision governing such purchases) shall apply to the purchase of any commodity to be imported into the continental United States by any person who deals directly with a foreign seller whose place of business is located outside the continental United States or with his selling agent wherever located.

Article II—Imported Industrial Materials

SEC. 3. *Sales of imported industrial materials by importers to intermediate distributors or industrial users.* The maximum price for sales or deliveries of any industrial materials "imported" after March 31, 1942, by an "importer," other than the United States or any agency thereof, to an "intermediate distributor" or an "industrial user" shall be determined as follows:

(a) If the importer delivered or offered for delivery during March, 1942, the same or "similar" materials imported by him, his maximum price shall be the sum of his maximum price established under the General Maximum Price Regulation plus the permitted increase in the "total landed costs" of the imported materials over the total landed costs of the same or similar materials upon which his maximum price under the General Maximum Price Regulation was based.

(b) If the importer did not deliver or offer for delivery during March, 1942, the same or similar materials imported by him but has, prior to the date of issuance of this regulation, established a maximum price for such materials under the General Maximum Price Regulation, (exclusive of a higher price established under Revised Supplementary Regulation No. 12) he may sell at a price not in excess of that maximum price or he may before making any sale apply to the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C., for a revision of that maximum price by submitting to that Office a statement containing the following information:

(1) A description of the materials.

(2) Whether he delivered or offered for delivery during March, 1942, the same or similar imported materials imported by him.

(3) His maximum price, if any, to each class of purchaser and the method by which it was established.

(4) The proposed selling price to each class of purchaser.

(5) The type of purchaser—whether intermediate distributor or industrial user.

(6) The permitted total landed costs of the imported materials, itemizing the "foreign invoice price," transportation charges, any import duties and taxes, marine insurance, war risk insurance (not exceeding WSA rate), and any other expenses from the point of shipment abroad to the point designated by the importer prior to importation for delivery in the continental United States.

(7) The processing, if any, to be done by him.

(8) The cost of such processing.

No importer applying for a revised price under this paragraph shall accept payment in an amount in excess of the maximum price established under the General Maximum Price Regulation (exclusive of the higher prices established under Revised Supplementary Regulation No. 12) for any imported industrial materials for which the importer seeks a revised price until the Office of Price Administration either approves the proposed selling price or if, in its opinion, the proposed selling price is excessive, adjusts such price.

(c) If the importer had not established a maximum price under the General Maximum Price Regulation (exclusive of the higher price established under Revised Supplementary Regulation No. 12) prior to the date of issuance of this regulation for the same or similar materials imported by him he shall, before making any sale, submit to the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C., a statement containing the information set forth in paragraph (b) of this section.

The proposed selling price shall be subject to approval or adjustment by the Office of Price Administration.

An importer may accept payment for materials for which a proposed selling price is submitted under this paragraph subject to final settlement in accordance with the price approved by the Office of Price Administration under this paragraph.

(d) An importer who has established a maximum price for imported industrial materials under paragraph (b) or (c) of this section shall adjust that price on sales of future importations of the same or similar materials in accordance with decreases in the total landed costs; and may adjust that price on sales of future importations of the same or similar materials, in accordance with increases in the total landed costs.

(e) In calculating total landed costs under this section: (1) if the importer has purchased from, or placed an order with, any foreign seller for the same or similar materials since March 1942 and prior to the date of the issuance of this regulation, he may not include any increase in the foreign invoice price occurring after the date of issuance of this regulation; (2) if the importer has not purchased from, or placed an order with, any foreign seller for the same or similar materials since March 1942, he may not include any increase in the foreign invoice price occurring after his first purchase following the date of issuance of this regulation.

(f) Any importer who sells or delivers imported industrial materials to an intermediate distributor at a higher price established under this section shall include on his invoice to the buyer:

(1) A statement to the effect that the sale or delivery is made at a price established under Section 3 of the Maximum Import Price Regulation issued by the Office of Price Administration; and

(2) If the importer calculated his price under paragraph (a) of this section, a statement of the amount he added to his March 1942 maximum selling price; or

(3) If the importer's price has been submitted to the Office of Price Administration pursuant to paragraph (b) or (c) of this section, a statement to the effect that the price charged either has been approved or is subject to approval or adjustment by the Office of Price Administration; or

(4) If the importer calculated his price under paragraph (d) of this section, a statement to the effect that his price is based upon a price approved by the Office of Price Administration.

Where the price charged is subject to approval or adjustment, the importer shall immediately notify the intermediate distributor in writing of the price subsequently approved.

(g) Any importer who sells or delivers imported industrial materials to an industrial user at a higher price established under this section shall include the following statement on his invoice:

The prices on this invoice are higher than those permitted under the General Maximum Price Regulation. However, you may not increase your maximum selling price for any article produced with the use of these imported industrial materials unless authorized by the Office of Price Administration.

The importer shall also indicate on the invoice the paragraph of section 3 of the Maximum Import Price Regulation under which each invoiced item has been priced.

If the importer's price has been submitted to the Office of Price Administration pursuant to paragraph (b) or (c) of this section, the importer shall also include on his invoice a statement to the effect that the price charged either has been approved or is subject to approval or adjustment by the Office of Price Administration.

If the importer calculated his price under paragraph (d) of this section, he shall also include a statement in his invoice to the effect that his price is based upon a price approved by the Office of Price Administration.

Where the price charged is subject to approval or adjustment, the importer shall immediately notify his customer in writing of the price subsequently approved.

(h) Within 10 days after the first delivery by an importer to an intermediate distributor or industrial user or within 10 days after the approval or adjustment by the Office of Price Administration of a price

[4] 8 F. R. 9787, 9880, 104132, 10566, 10433, 10608, 10731, 10759, 10763, 10939, 10674, 10984, 10758, 11174, 11182.

submitted pursuant to paragraph (b) or (c) of this section, whichever is later, the importer shall forward to the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C., a report, in duplicate, of the first sale to each intermediate distributor or industrial user made at a price established under this section. These reports shall be made upon Form OPA–SR–12A set out in section 16 of this regulation, or upon a form copied therefrom. Copies of this form may be obtained from the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C.

If the importer's total landed costs should decrease, or if his selling price should be raised by reason of increases in the total landed costs, the importer shall file supplemental reports on this form. These supplemental reports shall be filed in duplicate within 10 days after the first delivery, affected by such change in the total landed costs, to each intermediate distributor or industrial user.

(i) Whenever any importer who sells imported industrial materials directly to industrial users finds that the filing of individual reports required in Paragraph (h) of this section for the first sale would place an undue burden upon him, he may apply in writing to the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C., for permission to file consolidated reports. If such permission is granted, the importer will be instructed what information to include in the consolidated report.

(j) Whenever an importer who sells imported industrial materials to an intermediate distributor finds that Form OPA–SR–12A is not adaptable for the report required in paragraph (h) of this section, he may apply in writing to the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C., for permission to file special reports, indicating in what respect the form is unsuitable. If such permission is granted, the importer will be instructed what information to include in the special report.

SEC. 4. *Sales of imported industrial materials by intermediate distributors to industrial users.* The maximum prices for sales or deliveries of imported industrial materials by an intermediate distributor, other than the United States or any agency thereof to an industrial user shall be determined as follows:

(a) If the intermediate distributor delivered or offered for delivery the same or similar materials during March 1942, his maximum price shall be his maximum price established under the General Maximum Price Regulation plus the increase in his purchase price over the purchase price of the same or similar materials upon which his maximum price under the General Maximum Price Regulation was based.

However, no intermediate distributor shall establish a price under this paragragh if the importer's invoice states that the price charged by the importer is subject to approval or adjustment by the Office of Price Administration until the intermediate distributor receives notice from the importer of the price approved by the Office of Price Administration.

(b) If the intermediate distributor did not deliver or offer for delivery the same or similar industrial materials during March 1942, but has prior to the date of issuance of this regulation established a maximum price for such materials under the General Maximum Price Regulation (exclusive of the higher prices permitted under Revised Supplementary Regulation No. 12) he may sell at a price not in excess of that maximum price or he may, before making any sale, apply to the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C., for a revision of that maximum price by submitting to that Office a statement containing the following information:

(1) A description of the materials.

(2) Whether he delivered or offered for delivery the same or similar imported materials during March 1942.

(3) His maximum price to industrial users, if any, and the method by which it was established.

(4) His proposed selling price to each class of industrial user.

(5) The price paid or to be paid by him and the terms of purchase.

(6) The processing, if any, to be done by him.

(7) The cost of such processing.

(8) The processing to be done by his customer and the article to be produced as a result of such processing.

(c) If the intermediate distributor had not established a maximum price under the General Maximum Price Regulation (exclusive of the higher price established under Revised Supplementary Regulation No. 12) prior to the date of issuance of this Regulation for the same or similar materials, he shall, before making any sale, submit to the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C., a statement containing the information set forth in paragraph (b) of this section.

The proposed selling price shall be subject to approval or adjustment by the Office of Price Administration.

An intermediate distributor may accept payment for materials for which a proposed selling price is submitted under paragraph (b) or (c) of this section subject to final settlement in accordance with the price approved by the Office of Price Administration under this paragraph.

(d) An intermediate distributor who has established a maximum price under paragraphs (b) and (c) of this section shall adjust that price on sales of the same or similar materials purchased thereafter in accordance with decreases in his purchase price; and he may adjust that price on sales of the same or similar materials purchased thereafter in accordance with increases in his purchase price.

(e) Each intermediate distributor who sells at the higher price established under this section shall include on his invoice to the industrial user the following statement:

The prices on this invoice are higher than those permitted under the General Maximum Price Regulation. However, you may not increase your maximum selling price for any article produced by you with the use of these materials unless authorized by the Office of Price Administration.

The intermediate distributor shall indicate on the invoice the paragraph of section 4 of the Maximum Import Price Regulation under which the invoiced item has been priced.

If the intermediate distributor's price has been submitted to the Office of Price Administration pursuant to paragraph (b) or (c) of this section, the intermediate distributor shall also include on his invoice a statement to the effect that the price charged either has been approved or is subject to approval or adjustment by the Office of Price Administration.

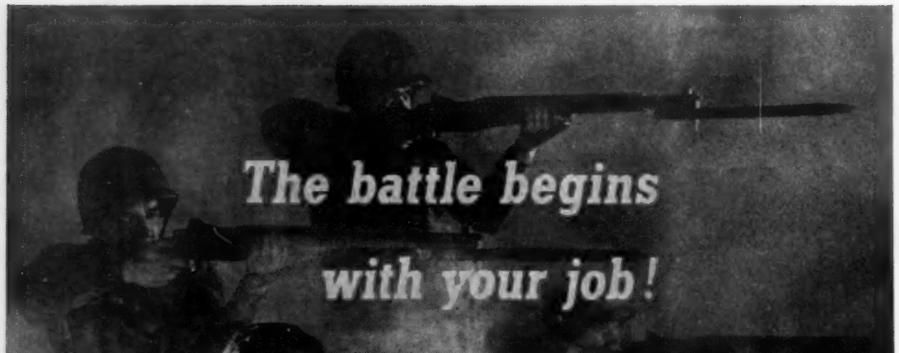
Where the price charged is subject to approval or adjustment, the intermediate distributor shall immediately notify the industrial user in writing of the price subsequently approved.

(f) Within ten days after the first delivery by an intermediate distributor to an industrial user, or within ten days after approval or adjustment by the Office of Price Administration of a price submitted pursuant to paragraphs (b) or (c) of this section, whichever is later, the intermediate distributor shall forward to the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C., a report, in duplicate, of the first sale to each industrial user made at a price established under this section. These reports shall be made upon Form OPA–SR–12B, set out in section 17 of this regulation, or upon a form copied therefrom. Copies of this form may be obtained from the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C.

If the intermediate distributor's purchase price should decrease, or if his selling price should be raised by reason of increases in his purchase price, he shall file supplemental reports on this form. These supplemental reports shall be filed in duplicate within ten days after the first delivery affected by such change in the intermediate distributor's purchase price.

(g) If an intermediate distributor finds that the filing of individual reports required in paragraph (f) of this section for each sale would place an undue burden upon him, he may apply in writing to the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C., for permission to file consolidated reports. If such permission is granted the intermediate distributor will be instructed as to what information to include in the consolidated report.

SEC. 5. *Applications for adjustment of maximum prices by industrial users.* (a) If the imported industrial materials used by an industrial user in the production of an article have increased in cost to him so substantially since March, 1942 (or, if he made no purchase during March, 1942, since his first purchase thereafter) that he cannot continue to use those materials in the production of that article or to continue to pro-



Official OWI Photo

duce the article, he may file an application for adjustment of his maximum price for the article. The application must show:

(1) That the article he produces with the use of the imported industrial materials is subject to this regulation.

(2) A brief description of the article he produces.

(3) That the imported industrial materials represent a substantial portion of the total cost of the component materials of the article he produces. (State the percentage.)

(4) The current cost per unit of the imported industrial materials and the increase in that cost per unit over their cost to him during March, 1942 or if he made no purchase during March, 1942, on his first purchase thereafter. This cost must be supported by a copy of the invoice, if any, for his latest purchase, and the latest price quotation, if any, from his principal supplier.

(5) His total cost of production per unit for the article he produces with the use of the imported industrial materials, indicating the cost of direct labor and materials, including waste, but less the salvage value of that waste, and applicable factory overhead.

NOTE: For the purposes of this paragraph an industrial user may not include the cost of imported industrial materials which he has imported as a part of his materials cost in an amount in excess of the total landed costs in an amount in excess of the total landed costs permitted under paragraph (e) of section 3.

(6) His annual profit and loss statements for each of the three calendar or fiscal years ending nearest to the date of the application.

(7) His maximum selling price per unit for that article and the terms of sale to each class of purchaser.

(8) His dollars-and-cents markup per unit to each class of purchaser for that article during March, 1942, or if he made no sale during March, 1942, on his first sale thereafter.

(9) His proposed selling price and terms of sale to each class of purchaser.

(10) A statement of the reasons why, if the adjustment is not granted, he cannot continue to use the imported industrial materials in the article he produces or to continue to produce that article.

The Price Administrator may grant an adjustment under this section in an amount not to exceed the additional total cost of the imported industrial materials permitted under this regulation.

The Price Administrator may deny the petition for adjustment if, in his opinion, the granting of it will interfere with the production or distribution, or will endanger the price control, of comparable articles made of domestic materials.

Any application for an adjustment under this paragraph shall be filed in accordance with Subpart B of Revised Procedural Regulation No. 1.[5]

(b) If an industrial user purchases for use as a material, ingredient, or component part of an article he produces, an article which another industrial user has produced with the use of imported industrial materials (or with the use of an article made of such materials), he may apply for an adjustment in the maximum price of the article he produces by filing an application complying with the provisions of paragraph (a) of this section. However, wherever the term "imported industrial materials" is used in paragraph (a), the applicant for adjustment under this paragraph (b) shall treat the term as referring to the article purchased by him which was produced by another industrial user with the use of imported industrial materials (or with the use of an article made of such materials).

The Price Administrator may grant an adjustment to such industrial user in an amount not to exceed the difference in the cost of the article he purchased during March 1942, or if he made no purchase during March 1942, the cost of his first purchase thereafter, and the cost represented by the current price to him approved by the Office of Price Administration.

The Price Administrator may deny the petition for adjustment if, in his opinion, the granting of it will interfere with the production or distribution, or will endanger the price control of comparable articles made of domestic materials.

Any application for adjustment under this paragraph shall be filed in accordance with Subpart B of Revised Procedural Regulation No. 1.

SEC. 6. *Definitions relating to sales of imported industrial materials.* When used in sections 3, 4, and 5 of this regulation, the term:

"Foreign invoice price" means the price charged by the foreign seller minus any charges included in such price for transportation, marine insurance, war risk insurance, export taxes, customs duties, import taxes, or any other expenses from the point of shipment abroad to the point of delivery in the continental United States.

"Imported" means materials transported into the continental United States from any place outside thereof. Materials entered in a foreign trade zone or a customs bonded warehouse shall be considered as "imported."

"Imported industrial materials" means any commodity which is to be subjected to further processing after importation that results in the production of a new and different article having a distinctive name, character, or use, or which is to be used as an ingredient or component part of such an article.

"Importer" means the ultimate consignee in the continental United States of any imported industrial materials which he sells either to an intermediate distributor or an industrial user.

"Industrial user" means any person who, either for his own use or for resale, subjects imported industrial materials to a process that results in the production of a new and different article having a distinctive name, character, or use, or who uses the materials as an ingredient or a component part of such an article. A restaurant, hotel, or other similar establishment where food or beverages are served shall not be considered an "industrial user."

"Intermediate distributor" means any person who in accordance with established trade practice buys or receives imported industrial materials directly from the importer thereof and who sells or delivers such materials to an industrial user.

"Similar" means any imported industrial materials that have the same use as other imported industrial materials; that afford the purchaser fairly equivalent serviceability; and that belong to a type which would ordinarily be sold in the same price line.

"Total landed costs" means the price charged by the foreign seller plus all the costs, charges, and expenses, including any customs duties or import taxes, and purchasing commissions incurred by the importer in transporting the industrial materials from the point of shipment abroad to the point in the continental United States designated by the importer prior to importation for delivery: *Provided,* (1) That the price charged by the foreign seller shall be, for the purposes of determining total landed costs, subject to the limitations of section 3 (e), above; (2) That in computing these costs, war risk insurance costs for industrial materials shipped after the effective date of this regulation shall not exceed the amount of the applicable direct voyage war risk insurance premium which was or would have been charged for such shipment by the War Shipping Administration; (3) That cable charges, banking costs, and other general overhead costs, and charges incurred in storing imported industrial materials in a foreign trade zone, a customs bonded warehouse, or a public warehouse in the continental United States for any period in excess of sixty days shall not be included.

Article III—Domestic Manufactured Goods Made With Imported Industrial Materials

SEC. 7. *Sales of domestic manufactured goods made with imported industrial materials.* The maximum price for sales or deliveries of domestic manufactured goods made in whole or in part with imported industrial materials for which an adjustment in price has been granted by the Office of Price Administration under section 5 of this regulation shall be determined by the "primary wholesaler", "the secondary wholesaler" or "retailer" of such goods as follows:

(a) If, prior to the date of issuance of this regulation, the seller had established a maximum price under the General Maximum Price Regulation for the same or similar "domestic manufactured goods made with imported industrial materials" he shall determine his maximum price for such goods in accordance with paragraph (c) of section 8 of this regulation.

(b) If, prior to the date of issuance of this regulation, the seller had not established a

[5] 7 F. R. 8961, 8 F. R. 3313, 3533, 6173.

maximum price under the General Maximum Price Regulation for the same or similar domestic manufactured goods made with imported industrial materials he shall proceed in accordance with paragraph (d) of section 8 of this regulation.

(c) Any person who has established a maximum price under paragraph (b) of this section shall adjust that price on future purchases of the same or similar domestic manufactured goods made with imported industrial materials in accordance with decreases in the net cost of the goods to him; and may adjust that price on sales of the same or similar domestic manufactured goods made with imported industrial materials in accordance with increases in their net cost.

(d) A primary or secondary wholesaler who sells or delivers at a price established under this section shall include the following statement on his invoice to his customer:

The invoiced domestic manufactured goods made with imported industrial materials are sold to you at a price established under section 7 of the Maximum Import Price Regulation. You own maximum resale price shall be determined under that section.

Article IV—Imported Manufactured Goods

SEC. 8. *Sales of imported manufactured goods.* The maximum price for sales or deliveries of manufactured goods imported after March 31, 1942, by a seller (other than the United States or any agency thereof), whether an importer, a primary or secondary wholesaler or a retailer, shall be determined as follows:

(a) If the importer delivered or offered for delivery during March 1942 the same or similar "imported manufactured goods" imported by him, or had established a maximum price for those goods under the General Maximum Price Regulation prior to the date of issuance of this Regulation, his maximum price shall be the sum of his current permitted total landed costs for those goods plus the same dollars-and-cents markup, or 75 percent of the percentage markup included in his highest selling or offering price during March 1942, or if he made no sale or offer during March 1942, the same dollars-and-cents markup or 75 percent of the percentage markup included in the price for his first sale thereafter.

(b) In calculating total landed costs under this section: (1) if the importer had purchased from, or placed an order with, a foreign seller for the same or similar goods prior to April 30, 1943, he may not include any increase in the foreign invoice price occurring after that date; (2) if the importer had not purchased from, or placed an order with, a foreign seller for the same or similar goods prior to April 30, 1943, he may not include any increase in the foreign invoice price occurring after his first purchase after that date.

(c) If the primary wholesaler, secondary wholesaler, or retailer delivered or offered for delivery during March, 1942 the same or similar imported manufactured goods, or had established a maximum price for those goods under the General Maximum Price Regulation prior to the date of issuance of this regulation, his maximum price shall be the sum of his current purchase price for those goods plus the same dollars-and-cents mark-up, or 75 percent of the percentage mark-up, included in his highest selling or offering price during March, 1942, or if he made no sale or offer during March, 1942, the same dollars-and-cents mark-up or 75 percent of the percentage mark-up included in the price for his first sale thereafter.

(d) If the importer, primary or secondary wholesaler, or retailer had not established a maximum price under the General Maximum Price Regulation prior to the date of issuance of this Regulation, for the same or similar imported manufactured goods, he shall, before making any sale, submit to the Office of Export-Import Price Control, Office of Price Administration, Washington, D. C., a statement containing the following information:

(1) A description of the article to be sold.

(2) Whether he established a maximum price under the General Maximum Price Regulation prior to the date of issuance of this regulation.

(3) His classification under the definitions in section 9 of this regulation.

(4) The classification of his customer under that section.

(5) The classification of his supplier under that section.

(6) The current net cost of the article.

(7) His proposed selling price and terms of sale.

(8) The usual percentage markup in the trade during March, 1942 for that kind of article when sold to a purchaser of the same class as his customer.

The proposed selling price shall be subject to approval or adjustment by the Office of Price Administration.

A person who submits a selling price for approval under this paragraph may accept payment for imported manufactured goods subject to final settlement in accordance with the price approved by the Office of Price Administration under this paragraph.

(e) Any person who has established a maximum price for imported manufactured goods under paragraph (d) of this section shall adjust that price on future purchases of the same or similar imported manufactured goods in accordance with decreases in the net cost of the goods to him; and may adjust that price on sales of the same or similar imported manufactured goods, in accordance with increases in their net cost.

(f) Any person, other than a retailer or an importer selling at retail, who sells or delivers imported manufactured goods at a price established under this section shall include the following statement on his invoice to his customer:

The invoiced imported manufactured goods are sold to you at a price established under Section 8 of the Maximum Import Price Regulation issued by the Office of Price Administration. Your own maximum resale price shall be determined under that section.

SEC. 9. *Definitions relating to sales of imported and domestic manufactured goods.* When used in sections 7 and 8 of this regulation, the term:

"Domestic manufactured goods made with imported industrial materials" means any articles which have been processed or manufactured in the continental United States wholly or in part with the use of imported industrial materials to such an extent that they require no further processing which results in the production of a new and different article having a distinctive name, character, or use.

"Foreign invoice price" means the price charged by the foreign seller minus any charges included in such price for transportation, marine insurance, war risk insurance, export taxes, customs duties, import taxes, or any other expenses from the point of shipment abroad to the point of delivery in the continental United States.

"Imported" means goods transported into the continental United States from any place outside thereof. Goods entered in a foreign trade zone or a customs bonded warehouse shall be considered as "imported."

"Imported manufactured goods" means any imported articles which have been processed or manufactured prior to importation to such an extent that they require no further processing after importation that results in the production of a new and different article having a distinctive name, character, or use, and which are not used as an ingredient or component part of such an article.

Goods which are subjected to a minor process after importation, such as watch movements which are to be cased, napkins or handkerchiefs which are to be hemmed, shall be considered "imported manufactured goods."

"Importer" means any person who is the ultimate consignee in the United States of imported manufactured goods which he sells or delivers to a primary wholesaler, a retailer, or an ultimate consumer.

"Primary wholesaler" means any person who performs a recognized distributive function by purchasing manufactured goods directly from either the importer or the domestic manufacturer thereof, and who sells or delivers them to a secondary wholesaler or a retailer in accordance with established trade practices.

"Retailer" means any person who buys or receives manufactured goods from the importer, the domestic manufacturer, a primary wholesaler, or a secondary wholesaler and who sells them to an ultimate consumer.

"Secondary wholesaler" means any person who performs a recognized distributive function by purchasing manufactured goods from a primary wholesaler and who sells or delivers them to a retailer in accordance with established trade practices.

"Similar" means any imported or domestically manufactured goods that have the same use as other manufactured goods; that afford the purchaser fairly equivalent serviceability; and that belong to a type which would ordinarily be sold in the same price line. In determining the similarity of such commodities, differences in style or design which do not substantially affect use, or serviceability, or the price line in which such commodities would ordinarily have been sold, shall not be taken into account.

"Total landed costs" means the price charged by the foreign seller plus all costs, charges, and expenses, including any customs duties or import taxes, and purchasing commission incurred by the importer in transporting the goods from the point of shipment abroad to the point in the continental United States designated by the importer prior to importation for delivery: *Provided,* (1) That the price charged by the

foreign seller shall be, for the purposes of determining total landed costs, subject to the limitations of section 8 (b), above; (2) That in computing these costs, war-risk-insurance costs on manufactured goods shipped after the effective date of this regulation shall not exceed the amount of the applicable direct voyage war-risk-insurance premium which was or would have been charged for such shipment by the War Shipping Administration; (3) That cable charges, banking costs, and other general overhead costs, and charges incurred in storing imported manufactured goods in a foreign trade zone, a customs bonded warehouse, or a public warehouse in the continental United States for any period in excess of sixty days shall not be included.

"Ultimate consumer" means any person who buys manufactured goods for his own use. Any person who buys such goods for use in his business or profession and who does not resell them to any other person shall be considered an ultimate consumer.

Article V—Other Sales of Imported Commodities

SEC. 10. *Other sales of imported commodities.* Any purchase, sale, or delivery of imported commodities not provided for in this regulation shall be subject to the provisions of the General Maximum Price Regulation unless expressly covered by a specific maximum price regulation or by a supplementary regulation to the General Maximum Price Regulation setting out dollars-and-cents prices for imported commodities.

Article VI—General Provisions

SEC. 11. *Less than maximum prices.* Lower prices than those permitted under this regulation may be charged, offered, demanded, or paid.

SEC. 12. *Failure to file reports.* The failure of an importer or an intermediate distributor to file a report of a sale made pursuant to sections 3 and 4, respectively, of this regulation, shall constitute a violation of this regulation and of the Emergency Price Control Act of 1942, as amended.

SEC. 13. *Evasion.* No seller shall evade any of the provisions of this Maximum Import Price Regulation by changing his customary allowances, discounts or other price differentials, or by any other means.

SEC. 14. *Enforcement.* Any person violating any provision of this regulation is subject to the criminal penalties, civil enforcement actions, license suspension provisions, and suits for treble damages provided for by the Emergency Price Control Act of 1942, as amended. It shall be a violation to submit to the Price Administrator or to the Office of Export-Import Price Control information required under any provisions of this regulation which is false in any material respect.

SEC. 15. *Definitions incorporated by reference.* Unless the context otherwise requires, the definitions set forth in the General Maximum Price Regulation shall apply to any word or term not specifically defined in this regulation.

SEC. 16. *Report to be made by importer of industrial materials.*

Form OPA–SR–12A

Form approved
Budget Bureau
No. 08–R120–42

UNITED STATES OF AMERICA

OFFICE OF PRICE ADMINISTRATION

2 copies of
this report
must be filed

REPORT OF SALE OF IMPORTED INDUSTRIAL MATERIALS BY AN IMPORTER TO AN INTERMEDIATE DISTRIBUTOR OR INDUSTRIAL USER

Pursuant to Section 3 of the Maximum Import Price Regulation

1. Name of importer (print or type).
2. Address—Number and street.
City and state.
3. Description of commodity.
4. Date of importation.
5. Date of first delivery to buyer under reported sale.
6. Name of buyer.
7. Address of buyer—Number and street.
City and state.
8. Class of buyer:
Intermediate distributor ☐
Industrial user ☐
9. Processing, if any, to be done by importer.
10. Processing, if any, to be done by buyer if an intermediate distributor.
11. Article to be produced by buyer if an industrial user.
12. Total quantity sold.
13. Quantity of first delivery.
14. Price per unit $_____ Per (unit).
15. Terms of sale.
16. Total landed costs per unit of commodity sold (use same unit for (a) through (h), as item 14):
(a) Foreign invoice price permitted under section 3 (e)_____ $_____
(b) Transportation charge from _____ to_____ _____
(c) Marine insurance_____ _____
(d) War risk insurance paid_____ _____
(e) War risk insurance at War Shipping Administration rate_____ $_____
(f) Duties and import taxes, if any_____ _____
(g) Other landing expenses (itemize)_____ _____
(h) Total landed costs per unit_____ _____
17. Did you deliver or offer for delivery the same commodity in March, 1942?_____Yes _____
No _____
If "No", disregard Items 19 and 21, but indicate here (or on the back of this form) how you determined your maximum price under the General Maximum Price Regulation.
18. Maximum price per unit to which you would have been limited under the General Maximum Price Regulation, if the Maximum Import Price Regulation were not in effect:
$_____ Per (unit)_____
19. Total landed cost per unit of the same commodity upon which maximum price under the General Maximum Price Regulation was established (Use same unit for (a) through (g), as in Item 14):
(a) Foreign invoice price_____ $_____
(b) Transportation charge from _____ to_____ _____
(c) Marine insurance_____ _____
(d) War risk insurance paid_____ $_____
(e) Duties and import taxes paid if any_____ _____
(f) Other landing expenses (itemize)_____
(g) Total landed cost per unit_____ _____
20. Difference between Items 14 and 18_____ _____
21. Difference between Items 16 and 19_____ _____
Name of person signing this report (print or type)
Title, Date, Signature.
The signature is not required to be acknowledged before a notary public. Pursuant to section 205 (b) of the Emergency Price Control Act of 1942 it is a criminal offense punishable by a fine of not more than $5,000, or by imprisonment for not more than one year, or both, to make any statement or entry in the above report which is false in any material respect.

SEC. 17. *Report to be made by intermediate distributor of industrial materials.*

Form OPA–SR–12B

Form approved
Budget Bureau
No. 08–R120–42

UNITED STATES OF AMERICA

OFFICE OF PRICE ADMINISTRATION

2 copies of
this report
must be filed

REPORT OF SALE OF IMPORTED INDUSTRIAL MATERIALS BY AN INTERMEDIATE DISTRIBUTOR TO AN INDUSTRIAL USER

Pursuant to Section 4 of the Maximum Import Price Regulation

1. Name of intermediate distributor (please print or type).
2. Address—Number and Street.
City and State.
3. Description of commodity.
4. Name of importer from whom purchased.
5. Address—Number and Street; City and State.
6. Name of industrial user to whom sold.
7. Address—Number and Street; City and State.
8. Date of first delivery to industrial user under sale reported here.
9. Processing, if any, done by intermediate distributor before sale to industrial user.
10. Article to be produced by industrial user.
11. Total quantity sold.
12. Quantity of first delivery to industrial user.
13. Price per unit to industrial user: $_____ Per (Unit).
14. Terms of sale.
15. Maximum price per unit under the General Maximum Price Regulation to which you would have been limited were it not for the Maximum Import Price Regulation:
$_____ Per (Unit)_____
16. Price per unit paid to importer: $_____ Per (Unit)_____
17. Amount of increase in total landed costs per unit included on the importer's invoice: $_____ Per (Unit)_____
18. Difference between Item 13 and Item 15: $_____
Name of person signing this report (print or type); Signature.
Title; Date.
This signature is not required to be acknowledged before a Notary Public. Pursuant to section 205 (b) of the Emergency Price Control Act of 1942 it is a criminal offense punishable by a fine of not more than $5,000, or by imprisonment for not more than one year, or both, to make any statement or entry in the above report which is false in any material respect.

Effective date. This regulation shall become effective August 23, 1943.

NOTE: The reporting and record-keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Issued this 20th day of August 1943.

CHESTER BOWLES,
Acting Administrator.

Contributors' Column

Philip M. Copp ("Italy's Food in War and Peace").—See the January 9, 1943, issue of FOREIGN COMMERCE WEEKLY.

Donald R. Crone ("Inca, Irish, and International").—See the August 14, 1943, issue of the magazine.

Sarah C. Saunders ("Commercial Standards Cement Inter-American Trade").—See the December 19, 1942, issue.

Brazil's wartime industrial expansion is evident in official statistics, showing 78,000 factories and workshops operating at the end of 1942 compared with 64,000 at the end of 1940. In the same period, industrial workers increased to 956,000 from 825,000 at the end of 1940. Nevertheless, the overwhelming proportion of Brazilian employment remains in agricultural, stock-breeding, and other rural industries.

AMERICAN MERCHANT MARINE
CONFERENCE COMMITTEE

J. LEWIS LUCKENBACH, Chairman
American Bureau of Shipping
New York, N. Y.
J. E. SLATER, Vice Chairman
American Export Lines, Inc.
New York, N. Y.
F. A. BAILEY, Vice Chairman
Matson Navigation Company
San Francisco, Calif.
R. R. ADAMS
Grace Lines
EDWARD J. BARBER
Barber Steamship Lines, Inc.
THEODORE BRENT
Mississippi Shipping Co.
JAMES A. FARRELL, JR.
American South African Line, Inc.
GEORGE H. FRENCH
Maryland Dry Dock Company
ROBERT E. FRIEND
Nordberg Manufacturing Co.
JOHN F. GEHAN
American Export Lines
HENRY F. GRADY
American President Lines
J. J. HALLORAN
C. H. Sprague & Son Co.
BASIL HARRIS
United States Lines
A. B. HOMER
Bethlehem Steel Co.
B. B. HOWARD
Standard Oil Co. of N. J.
R. I. INGALLS
Ingalls Shipbuilding Corporation
WILLIAM K. JACKSON
United Fruit Company
H. C. JEFFERSON
Curtis Bay Towing Co.
J. H. KING
The Babcock & Wilcox Co.
L. H. KORNDORFF
Federal Shipbuilding & Dry Dock Co.
ROGER D. LAPHAM
American-Hawaiian Steamship Company
ROBERT C. LEE
Moore-McCormack Lines, Inc.
ARTHUR R. LEWIS, JR.
Seas Shipping Company
HARMON LEWIS
Alcoa Steamship Co., Inc.
JOSEPH T. LYKES
Lykes Brothers Company, Inc.
T. J. McCARTHY
McCarthy Steamship Co.
JAMES C. MERRILL
Merrill Stevens Dry Dock Company
JOSEPH A. MOORE
Moore Dry Dock Company
W. B. NEWELL
Bath Iron Works Corp.
C. J. PANNILL
Radiomarine Corp. of America
L. D. PARMELEE
Agwi Steamship Lines, Inc.
HARRY W. PARSONS
Parsons Refractory Co.
C. H. C. PEARSALL
Agwi Steamship Lines, Inc.
JOHN G. PEW
Sun Shipbuilding & Dry Dock Company
JOHN D. REILLY
Todd Shipyards Corporation
E. A. ROBERTS
Waterman Steamship Corporation
T. A. SCOTT
Merritt-Chapman & Scott Corporation
H. GERRISH SMITH
National Council of American Shipbuilders
L. Y. SPEAR
Electric Boat Company
A. G. SPIEGELHALTER
The Pusey & Jones Corp.
V. J. SUDMAN
Black Diamond Steamship Corp.
RAYMOND D. SULLIVAN
South Atlantic Stemship Line
FRANK J. TAYLOR
American Merchant Marine Institute, Inc.
ARTHUR M. TODE
Propeller Club of the United States
H. W. WARLEY
Calmar Steamship Corp.
CHARLES L. WHEELER
McCormick Steamship Co.
A. T. WOOD
Lake Carriers Association

Planning the Transition of American Shipbuilding and Shipping From War to Peace

at the

AMERICAN MERCHANT MARINE CONFERENCE

THE WALDORF-ASTORIA — New York City
October 14 and 15, 1943

THE Propeller Club of the United States and the American Merchant Marine Conference will hold their Seventeenth Annual Meeting this year in New York.

Problems of vital importance to the future of the American Marine Industry growing out of the inevitable period of transition from an economy of war to one of peace will be explored and discussed by recognized authorities. The Conference will concentrate the experience and wisdom of its outstanding leadership upon subjects of transcending importance affecting the post-war ascendency of the Merchant Marine.

Panel Discussion meetings will be held on Thursday, October 14th; General Sessions on Friday, October 15th and, in the evening, the American Merchant Marine Conference Banquet.

The need for coordinated and constructive effort was never so necessary as at the present time . . . Your help and participation are needed in this program for furthering the best interests of the American Merchant Marine for our military and economic defense . . . Arrange now to attend the Merchant Marine Conference, and to take part in this most important annual gathering of the American Marine Industry.

R. C. LEE, National President
The Propeller Club of the United States

ARTHUR M. TODE, Hon. President
The Propeller Club of the United States

J. LEWIS LUCKENBACH, Chairman
American Merchant Marine Conference Committee

JOHN F. GEHAN, Chairman
Conference Committees
Port of New York

●

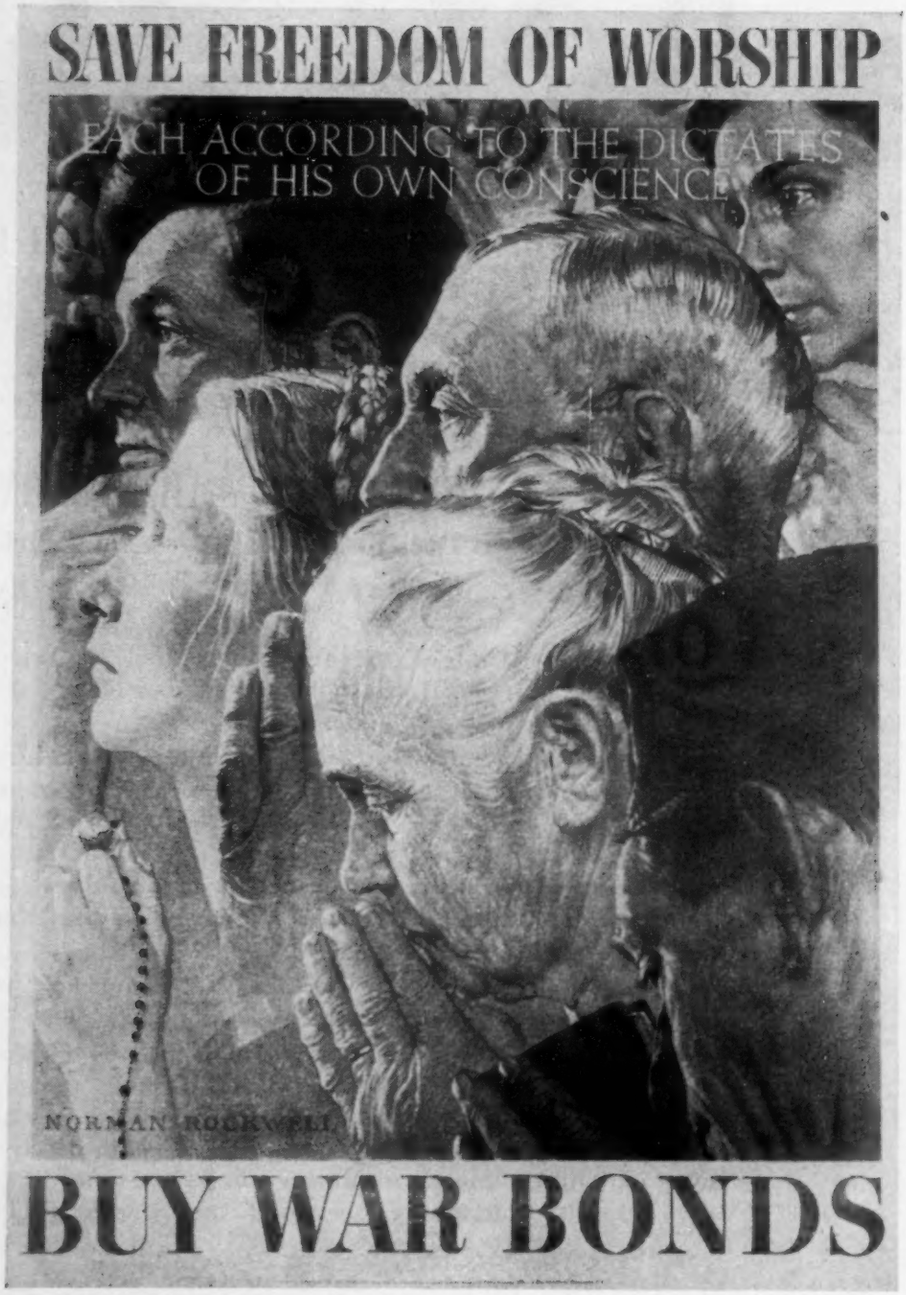
For Complete Details and Advance Program, address

National Headquarters
17 Battery Place **New York 4, N. Y.**

●

Travel by out-of-town members is not encouraged unless in the interest of the war effort.

THE PROPELLER CLUB OF THE UNITED STATES
FOUNDED 1927



U. S. GOVERNMENT PRINTING OFFICE: 1943